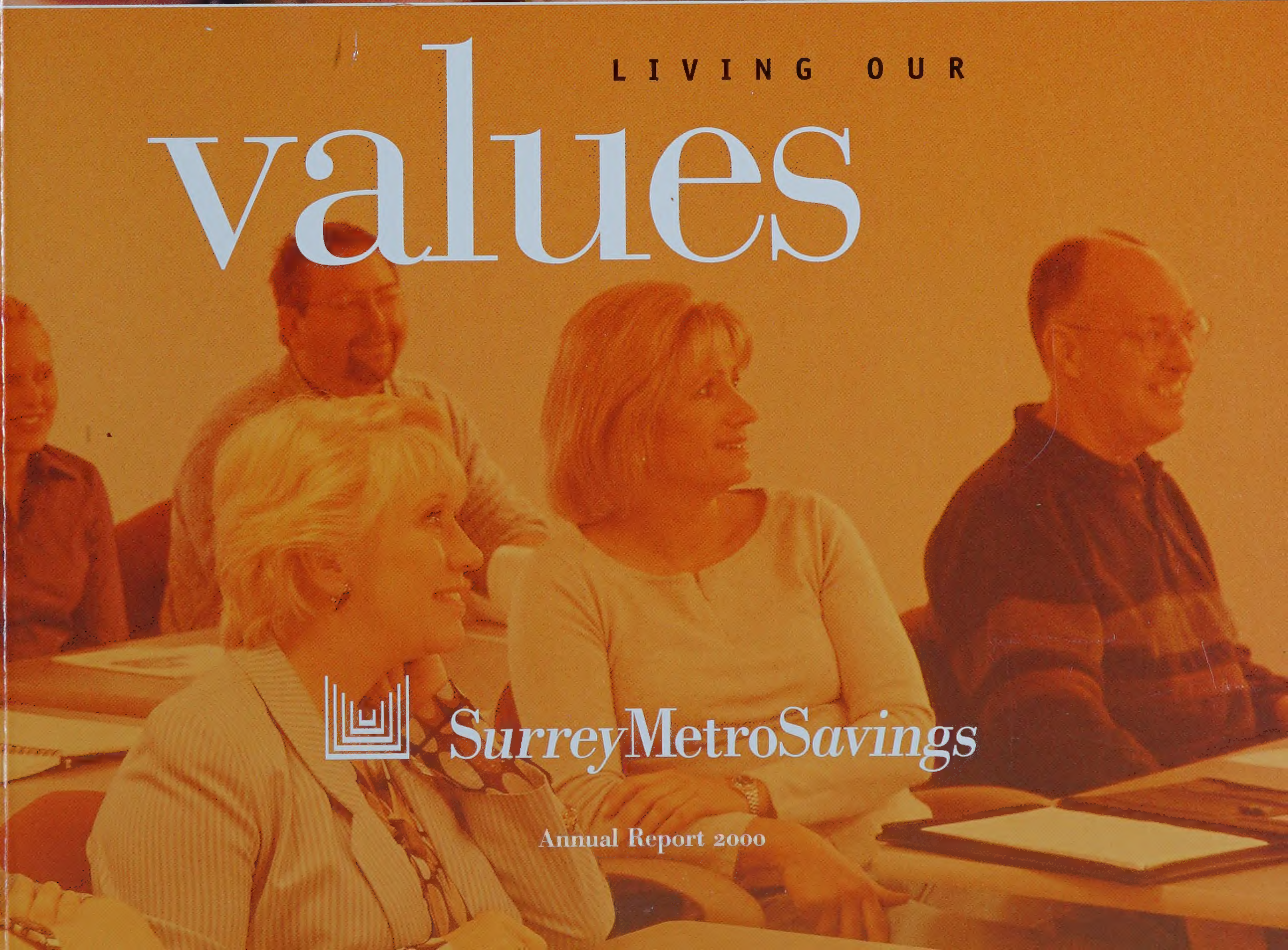
FULFILLING OUR vision

LIVING OUR values



SurreyMetroSavings

Annual Report 2000

ABOUT THE CREDIT UNION

What began as a single branch 53 years ago, Surrey Metro Savings now provides full retail banking services through 17 branches and a centralized call centre serving the communities of Surrey, Langley, Fort Langley, White Rock, Delta, Abbotsford and Chilliwack.

Surrey Metro Savings has grown to become one of Canada's leading credit unions, and the largest financial institution headquartered in the Fraser Valley.

Today we serve over 115,000 members and hold an asset base of more than $2.5 billion.

We are incorporated under the Credit Union Incorporation Act of British Columbia and also operate under the regulations of the Financial Institutions Act of British Columbia. Depositors are protected up to $100,000 by the Credit Union Deposit Insurance Corporation of British Columbia, and we are the only Credit Union in Canada that trades publicly. Our non-voting shares are listed on The Toronto Stock Exchange under the symbol of SMS.

Our success as a company has been dependent on our ability to adapt and change with market forces. Our focus on profitable and sound business decisions and growth strategies, and our responsibility to our shareholders have all played a vital role in that success.

Even more influential than these factors is our strong commitment to service to the people and the communities we serve. Providing the highest level of customer satisfaction in the financial services industry is a concept that continues to define Surrey Metro Savings and its employees.

This Annual Report contains forward-looking statements about the operations, objectives, and expected financial performance of Surrey Metro Savings. These statements are subject to risks and uncertainties. Actual results may differ depending on a number of factors, including but not limited to, legislative or regulatory changes, competition, technological changes, interest rates, and general economic conditions in British Columbia and Canada. These issues should be given careful consideration and readers should not place undue reliance on Surrey Metro Savings' forward-looking statements.

contents

ANNUAL REPORT 2000

customer
satisfaction

FULFILLING OUR vision

Our members have told us that our superior service is the single most important reason why they bank with us, and we're building on that strength. In response to our members' feedback, last year the employees at Surrey Metro Savings began a five-year journey—a journey that will take us to the "highest level of customer satisfaction in the financial services industry." This is our vision.

LIVING OUR values

caring

communication

pride

excitement+fun

change

Our core values complement our vision statement. Our vision is like our road map, which points to where we want to go. Our core values guide us in how we get there. Choosing words to represent our values was not easy. Many employees from across the organization played a key role in the selection process. In the end, these are the words we have identified as areas we consider important and representative of our culture. These are our core values.

In the next few pages we will share with you a "slice of life" at Surrey Metro Savings. We hope this helps to illustrate how striving to fulfill our vision and live our values everyday makes this company a better place for our employees, members, and shareholders.

THE YEAR IN review

Ranking number five on the Globe and Mail's "Report on Business" list of the "35 best" made us not only the best company to work for in BC but also the best financial institution to work for in Canada.

RECORD PROFITS

Surrey Metro Savings experienced its most profitable year ever in 2000. Our net income for 2000 was $13.6 million, an increase of 66% from $8.2 million achieved in 1999.

BEST 35 AWARD

Surrey Metro Savings received the distinction of being one of the best 35 companies to work for in Canada, from the Globe and Mail's "Report on Business." Ranking number five on the prestigious list made us not only the best company to work for in BC but also the best financial institution to work for in Canada.

STRATEGIC ALLIANCES

Surrey Metro Savings has developed a proposal with VanCity to establish a joint venture company which will merge our respective information technology operations. The venture will lower operating, maintenance and development costs while enhancing the capabilities for new leading-edge technology initiatives, creating dynamic opportunities for the future.

Surrey Metro Savings is also involved with three other financial institutions to establish a web-based financial services provider. The creation of this financial services solution will provide a high level of integrated on-line services that will be convenient and easy to use. This provider will allow us to meet the expectations of our customers whom every day become more and more dependent on state of the art technology. The service is expected to be functional in the first half of 2001.

OPERATIONAL ENHANCEMENTS

Surrey Metro Savings adopted a new banking computer operating system that is sixty times faster than its predecessor. This system will provide the company with a minimum of ten years of operational value, and assures stability, growth, openness and options in the processing of banking transactions.

INSURANCE SERVICES SOLD

The desire to focus on our core business of banking and wealth management combined with inadequate operating results led to a decision to sell our insurance business. The property and casualty business of our wholly-owned subsidiary, Metro Insurance Services Ltd., was sold to Westland Insurance Group of Surrey.

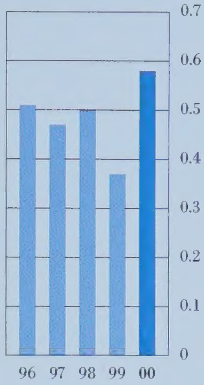
COMMUNITY SUPPORT

In addition to donating more than $300,000 to the communities it serves, Surrey Metro Savings and its employees also donated over $150,000 to the United Way – a new company record.

ONE OF THE 35 BEST COMPANIES TO WORK FOR IN CANADA

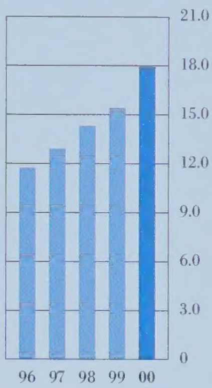
highlights

December 31	% Change	2000	1999
BALANCE SHEET *in thousands of dollars*			
Assets	8.5	**2,509,919**	2,313,105
Loans	3.8	**2,001,986**	1,928,833
Deposits	11.1	**2,371,623**	2,134,861
Non-voting share equity	9.0	**91,688**	84,146
RESULTS OF OPERATIONS *in thousands of dollars*			
Net interest income	8.0	**53,369**	49,407
Other income	14.4	**18,961**	16,572
Non-interest expenses	1.0	**53,796**	53,252
Net income	66.0	**13,551**	8,161
FINANCIAL STATISTICS			
Operating efficiency *in percent*		**74.38**	80.71
Return on average non-voting share equity *in percent*		**15.57**	10.08
Return on average assets *in percent*		**0.58**	0.37
Earnings per non-voting share *in dollars*		**2.58**	1.50
Earnings per non-voting share fully diluted *in dollars*		**2.42**	1.41
Number of non-voting shares outstanding *in thousands*			
As at basic		**5,110**	5,455
As at fully diluted		**5,446**	5,781
Average basic		**5,263**	5,455
Average fully diluted		**5,596**	5,780
SELECTED AVERAGE BALANCES *in thousands of dollars*			
Assets		**2,320,164**	2,178,161
Loans		**1,970,978**	1,872,349
Deposits		**2,022,332**	1,927,207
Borrowings		**153,462**	116,462
Non-voting share equity		**86,330**	80,783
DIVIDENDS			
Preferred shares *in percent*		**7.23**	6.43
Non-voting shares *in dollars*		**0.40**	0.40
NON-VOTING SHARES *in dollars*			
High		**13.45**	24.45
Low		**10.35**	12.05
Close (December 31)		**13.45**	12.50
Book value (basic)		**17.94**	15.43



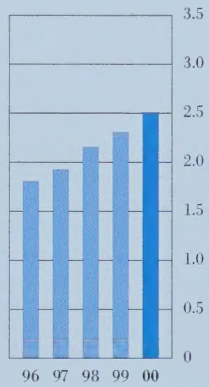
RETURN ON AVERAGE ASSETS
in percent

Increased earnings resulted in a higher ROAA at 0.58% versus 0.37% in 1999.



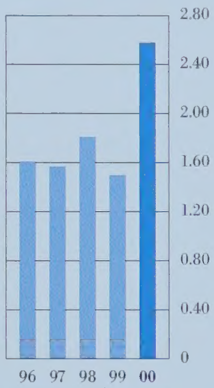
BOOK VALUE PER NON-VOTING SHARE
in dollars

Book value increased by $2.51 as a result of earnings retained and a share buy-back program.



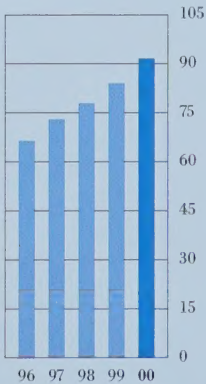
ASSETS
in billions of dollars

Asset growth was 8.5% as compared to 7.2% in 1999.



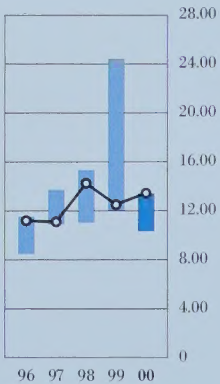
EARNINGS PER NON-VOTING SHARE
in dollars

Earnings increased from $1.50 to $2.58.



NON-VOTING SHAREHOLDERS' EQUITY
in millions of dollars

Non-voting share equity grew by 9.0%.



NON-VOTING SHARES TRADING RANGES
in dollars

o close (December 31)

"*I love my job.*" Meet below Surrey Metro Savings' Customer Service Representative Sandy Muller. "*I love being on the front line serving customers. It makes me feel really good when I have not just met a customer's needs, but exceeded them.*"

"*The way I treat customers makes a big difference in how they feel about Surrey Metro Savings. My number one rule is to treat my customers with respect, concern and professionalism. I treat people the same way I want to be treated when I am on the other side of the counter.*

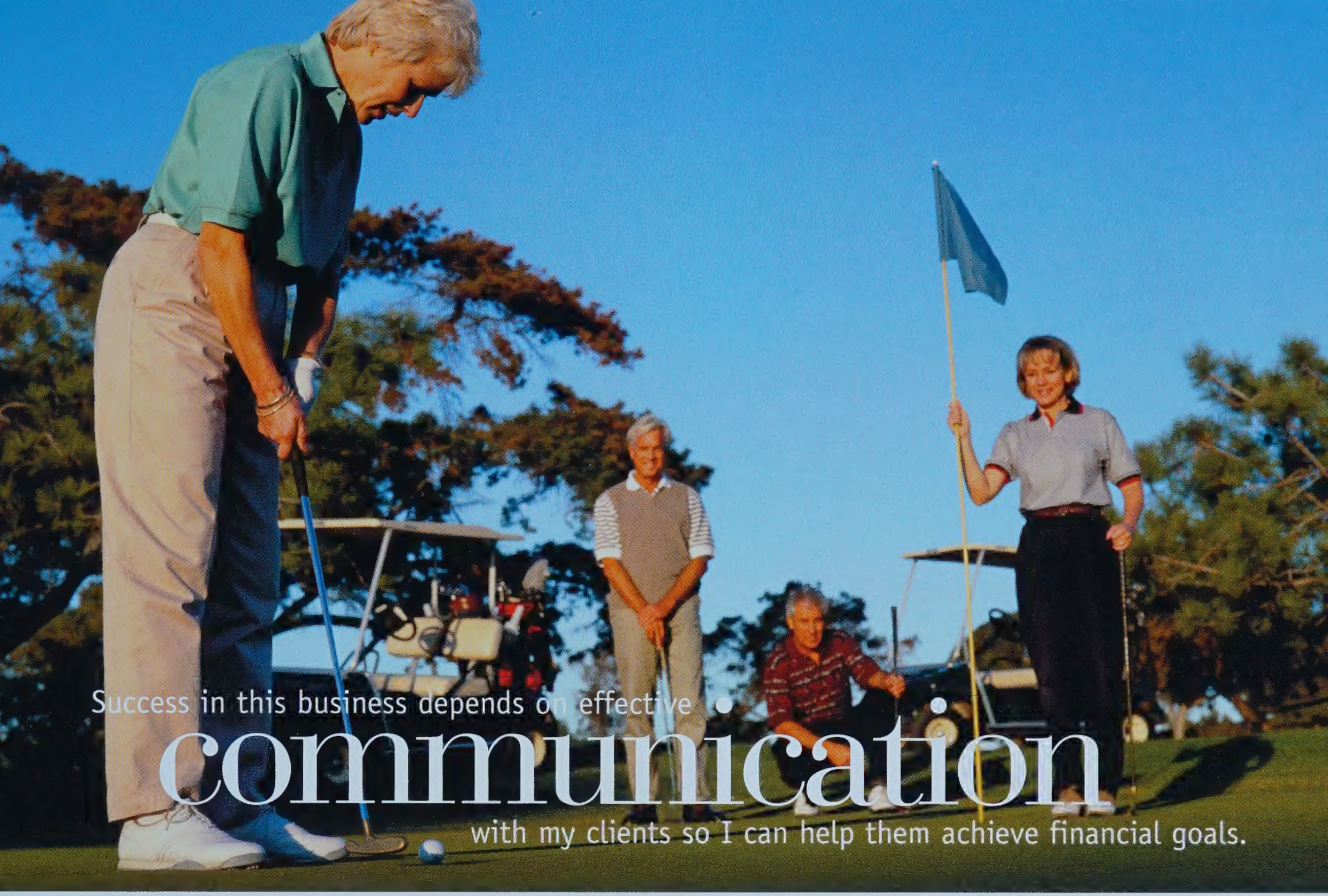
Management at Surrey Metro Savings makes giving great customer service easy. They really encourage staff to be the best we can be, and are very supportive. They care about our personal well-being. And it shows. It shows through many, many happy employees and customers."

Let's meet one of those customers.

"I have been a customer with Surrey Metro Savings' Fleetwood Branch since the first year the branch opened. I have never once regretted my decision to bank with Surrey Metro Savings. In fact, my whole family now banks here. Sandy and all the staff at Surrey Metro Savings treat us like part of their family, and they know us by name. That's important to me. I always get excellent customer service and I feel that this credit union really values me as a customer. This is thanks to all the wonderful staff."

LUCILLE LEWIS
Customer with Surrey Metro Savings

SANDY MULLER
Customer Service Representative



Wealth Management is becoming an increasingly important focus for Surrey Metro Savings. We want to be a leading player in the marketplace, and we are moving forward with winning wealth management strategies that will offer our members superior financial advice, products and services. We will continue to build effective alliances, use technology strategically, enhance our advice delivery channels, and train and promote our employees because they are our most critical resource and our partners in success.

We don't want to just meet our members' needs, we want to exceed their expectations with our professional wealth management advice and industry leading service.

"Each client's financial plan tells a different story," says Cecilia. *"That's because everybody is different. Everybody has different dreams, different goals. Maybe it's to buy that first home, go back to school and study for a new career, or to save for retirement. Whatever the goal, a good financial plan can make it happen."*

Developing solid financial plans is what Financial Planner Cecilia Solano does for her Surrey Metro Savings clients everyday.

"I have an excellent relationship with my clients," says Cecilia. *"I take the time to get to know them as unique individuals with their own needs and dreams. Considering their time horizons, their fund sources, and their current and future objectives, together we work through various wealth management options and build their best financial plan. Financial planning is more than just getting the numbers right – it's about setting achievable goals that are emotionally right for each client, and making them happen."*

"I would not trade this job for another. It is so fulfilling to think that the implementation of a financial plan establishes a strong and continuing bond with my clients, leaving behind a meaningful legacy for both them and their families."

CECILIA SOLANO
Financial Planner

"We work hard and we play hard," says Peter Kellett, Manager, Joint Venture Initiative. *"It's a great company. We didn't rank as one of the best companies to work for in Canada, for nothing."*

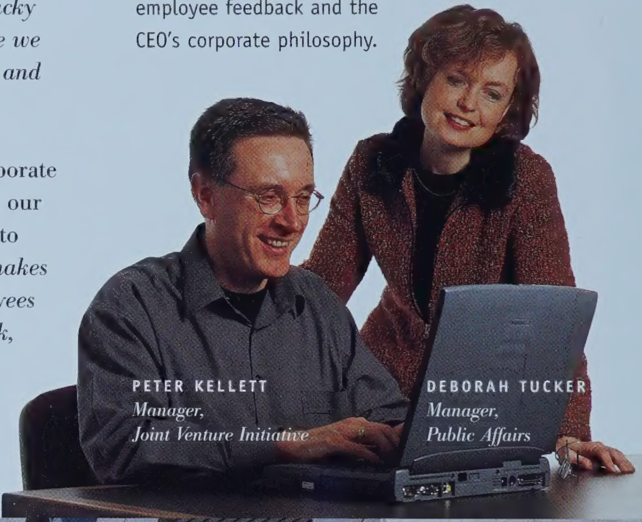
"To me, it's all about balance. We're an action-oriented company and when a task or project needs to be done, individuals put their shoulder to the wheel and drive it 100%. At the same time, we have the ability to laugh at ourselves, and don't always take ourselves too seriously."

"Just look at our annual Night of Champions. An academy awards-style event that honours some 700-plus employees for their outstanding sales and service excellence, is also an evening where staff members come to watch their co-workers perform wacky skits. It's a night where we can all really let loose and laugh at each other."

What does a great corporate environment mean for our customers? According to Peter, *"I think it just makes good sense that employees who are happy at work, will deliver better customer service."*

Surrey Metro Savings proudly earned the number five spot in the "35 best companies to work for in Canada" survey by the Globe and Mail's Report on Business magazine. This ranking made Surrey Metro Savings the top company to work for in BC and the top financial institution to work for in Canada.

Surrey Metro Savings was graded on a combination of its employee programs, employee feedback and the CEO's corporate philosophy.



PETER KELLETT
Manager, Joint Venture Initiative

DEBORAH TUCKER
Manager, Public Affairs

change is reality.

Surrey Metro Savings is working with VanCity on an opportunity to merge respective information technology operations which will allow us to share expenses and create dynamic technology opportunities for the future.

Surrey Metro Savings together with three of BC's largest credit unions is also working on the establishment of a web-based financial services provider. These enhanced services will be accessed through each individual credit union's website, providing high level integrated on-line functionality that will be convenient and easy for our members to use.

Every industry in the marketplace today is facing change, and the financial industry is certainly no stranger to change. The financial services sector worldwide has been influenced by technology, regulatory changes, deregulation, demographics and globalization. A senior executive at Surrey Metro Savings shares his views on change and its effect for Surrey Metro Savings.

"At Surrey Metro Savings, we believe with change comes opportunity," comments Bob Caldwell, Chief Operating Officer for Surrey Metro Savings. *"We continue to implement progressive strategies and seize new opportunities to become leaders. At present, we are part of a number of strategic alliances and partnerships with other credit unions, particularly with respect to technology-related initiatives. These initiatives will continue to help us maintain a competitive edge, and gain efficiencies and economies of scale. And the future will continue to bring forth these types of changes without a doubt."*

FROM LEFT TO RIGHT:

GARY ADAMO
Assistant Vice President, Wealth Management

LYNN ROBERTS
Assistant Vice President, Service Quality

BOB CALDWELL
Chief Operating Officer

"We believe that no one need face a life-threatening illness alone, and no one need be alone with their grief," says Yvon Thibeault, Executive Director, Surrey Hospice Society. *"Surrey Hospice Society provides social, emotional, and spiritual support for individuals and their loved ones as they face life-threatening illness, and ongoing grief support programs for children, teens and adults."*

Unfortunately, the number of people in Surrey requiring palliative care is growing. *"Limited resources provide continual challenges for the Surrey Hospice Society and the team of palliative care providers trying to meet the needs of this community,"* comments Dr. Joyce Holland, Surrey Hospice Society Board Member and Community Palliative Care Physician.

"The financial support the Surrey Hospice Society has received from Surrey Metro Savings over the past couple of years has been critical to the progress we have made in providing hospice and bereavement services to the people of Surrey. We are extremely grateful for this support," adds Yvon Thibeault.

As a caring company, Surrey Metro Savings is committed to building relationships with local organizations throughout the Fraser Valley and providing financial support to help their important initiatives. We appreciate the support that our customers have given us, and in turn, we believe in supporting the people and organizations enhancing the quality of life in our communities.

Through our Community Partnership Program, Surrey Metro Savings over the past year has contributed more than $300,000 to 60 community-based organizations in the areas of arts and culture, education, sports, health, family services and the environment.

Highlighted here is one of our community partnerships.

DR. JOYCE HOLLAND
Community Palliative Care Physician

NORA THOMPSON
Owner,
"Glorious Gardens"

Commercial lending represents an important part of Surrey Metro Savings' partnership with its communities. Our commercial lending unit plays a key role in helping local businesses grow. The majority of our commercial loans are applied to commercial and real estate projects to support the development of new housing, local shopping centres, and small industrial projects.

Rose McKeen has been working in the commercial lending business for over 15 years, coming to Surrey Metro Savings from another large financial institution. *"I focus mainly on the small businesses and the start-ups. I have a real soft spot for those types of companies."*

"It's a great day when I can let a client know they have been approved for a business loan. It makes me feel proud to help a budding entrepreneur get their first break, and to be part of their journey towards managing a successful business. This was certainly the case with my client, Nora Thompson."

"I had always dreamed of owning my own business," says Nora. *"Thanks to Surrey Metro Savings this dream has come true. They believed in me and lent me the capital to start my own custom-colour gardening business 'Glorious Gardens'."*

"I want a financial institution that takes the time to get to know me and understands my needs. This is why I came to Surrey Metro Savings. Running a business can be stressful and having the support of people like Rose and the Surrey Metro Savings team gives me peace of mind. Rose is more than my banker, she has become a friend and a client."

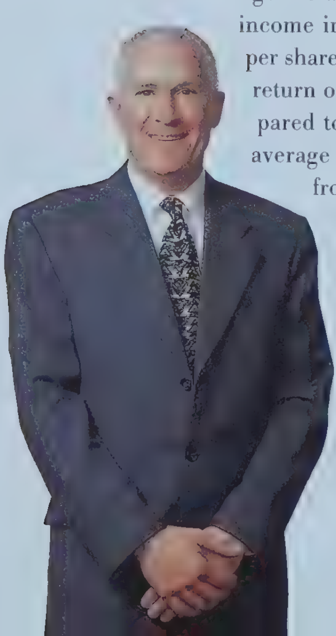
ROSE McKEEN
Manager,
Business Accounts

We're very proud of the corporate culture that has become a way of life at Surrey Metro Savings. Respect, dignity, and a genuine sense of caring describe the philosophy of the staff within our organization.

With a staff that takes such pride in their work, it's just natural that this translates into excellent customer service. Our vision is to earn the highest level of customer satisfaction in the financial services industry. This results in a corporate focus that produces first-rate results, and we are pleased to report that 2000 is our most profitable year ever. And, we are delighted to report that we received the distinction of being one of the best companies to work for in Canada. We ranked 5th out of the 35 companies named in the Globe and Mail's "Report on Business," February 2001. This recognition salutes the culture built over many years, by many people.

FINANCIAL PERFORMANCE

Net income for 2000 was $13.6 million, an increase of 66% from the $8.2 million achieved in 1999. Earnings per share increased to $2.58 from $1.50. Of the total net income in 2000, $1.5 million, or $0.29 per share, was the result of selling the property and casualty component of Metro Insurance Services Ltd., our wholly owned subsidiary. Merger related activities reduced after-tax income in 1999 by $1.5 million or $0.27 per share. After the impact of these events, return on average assets was 0.58% compared to 0.37% in 1999, with return on average non-voting equity at 15.57% up from 10.08% in 1999.



LLOYD M. CRAIG
President and
Chief Executive Officer

Interest income year over year increased $13.6 million, with interest expenses increasing $9.6 million, resulting in a $4.0 million increase in net interest income. Expressed as a percentage of average assets, net interest income increased to 2.30% from 2.27% year over year.

Total allowance for credit losses stood at $5.3 million at December 31, 2000, or 0.27% of total loans, up from the 0.26% in 1999. The $1.8 million provision for credit losses in 2000 was adequate to cover actual write-offs of $1.5 million.

Total assets as at December 31, 2000 were $2.5 billion, up 8.5% from $2.3 billion in 1999. Loans increased by 3.8% to $1.9 billion. Deposits grew by 11.1% to $2.4 billion. Non-voting shareholders' equity increased by 9.0% to $91.7 million. Book value per share at year-end was $17.94 up from $15.43 year over year. (A detailed discussion of Surrey Metro Savings' financial results is included in the Management's Discussion and Analysis section.)

As a result of increased deposit growth in the fourth quarter, we were able to reduce our Credit Union's effective tax rate to 20% from the 40% we had accrued during the year.

In February 2000, we received approval to proceed with a Normal Course Issuer Bid to repurchase up to 272,732 non-voting shares, representing 5% of our 5.455 million outstanding non-voting shares. In July 2000, we amended this Normal Course Issuer Bid to provide for an ability to repurchase for cancellation an overall total of 419,852 non-voting shares prior to February 27, 2001. These purchases are made through the facilities of The Toronto Stock Exchange. As at December 31, 2000, we had acquired 345,100 non-voting shares at an average price of

$11.19 per non-voting share versus a year-end book value of $17.94. These purchases under book value enhance the earnings per non-voting share and the book value per non-voting share going forward.

ALLIANCES

Increased competition and the need to offset escalating technology costs are the impetus behind financial institutions exploring all sorts of operating alternatives for their future. At Surrey Metro Savings, we're no different. In the first half of 2001, it's our objective to establish a joint venture company, which will house our information technology group and that of Vancouver City Savings Credit Union. Both organizations run similar hardware and software for the core banking systems. The key objectives in this initiative are to lower operating, maintenance and development costs while enhancing capabilities for new technology initiatives. In addition, it will provide a larger, more stimulating environment for the staff of each technology group, and potentially allows us to gain further efficiencies in the joint operation by outsourcing products and services to other credit unions.

Another venture that we're involved in with three other credit unions is the establishment of a web-based financial services provider. The speed of change in website services is phenomenal, and in our industry, to not keep up with this leading-edge change would be at our peril. The creation of this provider allows us to meet the expectations of our customers whom every day become more and more dependent on state of the art technology. The cost of this venture prohibits any member of the group from building a financial services solution on its own. These enhanced services will be accessed through each individual credit union's website, and will provide all the information and tools required for major financial decisions and transactions members are likely to encounter as they progress through the various stages of their lives. This targeted approach allows members to plan and control their financial future with a much greater degree of certainty. These enhancements will add real value for our members, enabling us to gain more of their business, as well as grow our base of members. The service is expected to be functional in the first half of 2001.

The competitive nature of our industry in Canada is sure to result in future alliances for Surrey Metro Savings with various partners. One of our key objectives is to control costs while maintaining our ability to grow and prosper, and alliances can play an important role in this strategy.

OPERATIONAL INITIATIVES

We moved our banking system, RFS, from the GEAC mainframe to an HP UNIX operating system in the second half of 2000. This will provide a minimum of ten years of operational value, and assures us of stability, growth, openness, and options in the processing of banking transactions. The new system is sixty times faster than its predecessor, performing a previous six-hour report now in six minutes.

One of our strategic priorities is to have all areas of operation within our organization unit-built, so that each individual component adds value and is economically sound. Inadequate operating results in our insurance subsidiary and a desire to focus on our core business of banking and wealth management led to our decision to sell the insurance business. In the second half of 2000, the property and casualty component of our wholly-owned subsidiary, Metro Insurance Services Ltd., was sold to Westland Insurance Group of Surrey. All policies have remained in effect and will be serviced by the new owners. We are pleased to report that the vast majority of staff were offered positions in the new environment. While the property and casualty side of the insurance business was sold, the entity itself was not. We continue to house our

BRUCE H. CHAPMAN
Chairman of the Board

wealth management business in the subsidiary company and, effective January 2001, have changed the name from Metro Insurance Services Ltd. to Metro Financial Ltd.

Another strategic priority for Surrey Metro Savings is to strengthen our wealth management focus to meet our customers' investment needs through every stage of their lives. Under new divisional leadership, we will launch our new strategy in this critical line of business in the first half of 2001.

The competition in Canada for residential mortgage business is severe. As 75% of our loan portfolio is invested in residential mortgages, we have implemented strategies to increase the commercial and personal sectors of the lending business while de-emphasizing the growth of the mortgage business. To complement the lending portfolio shift, we have entered the leasing business on both a commercial and retail basis. These steps will enable us to increase the yield on the loan portfolio while maintaining an acceptable level of credit risk.

We continue to search for operating efficiencies in all areas of our business. One step has been to consolidate the administrative areas of the credit union to be housed on one floor of the administration building in early 2001. This will produce greater operating efficiencies, and a more stimulating environment for staff, who through continued cross training, will develop competencies in multiple areas.

Our Surrey Place Shopping Centre branch is being relocated in conjunction with an extensive redevelopment of the mall and surrounding area. The branch will now be in a new location of the shopping centre, adjacent to both a large office complex and a major technical university. We are delighted to be in the heart of this exciting new initiative.

CONSOLIDATION

The consolidation of the BC credit union system continues. In 2000, there were four mergers, reducing the number of BC credit unions to 72, compared with 133 in 1985. Two of these mergers occurred in our own market area. Richmond Savings Credit Union merged with Vancouver Island's Pacific Coast Savings Credit Union, to become the second largest credit union in Canada moving Surrey Metro Savings to third place. The other merger in our market area was that of First Heritage Credit Union with Delta Credit Union. This merger has created a competitor with branches stretching from Tsawwassen to Hope.

The financial services sector worldwide has been influenced by technology, regulatory changes, deregulation, demographics, and globalization. The industry in Canada has been oversupplied for a number of years and the imbalance between supply and demand will increase as the Federal government, through new legislation, encourages bank mergers and foreign entry into the domestic industry. Combined, these forces are having a profound effect on our business.

As a result, traditional margins have been eroded over the past ten years, and the cost of technology has risen drastically as financial institutions spend to keep up with the expectations of customers. We have spent in excess of $23 million in technology over the past seven years, to meet our desire to remain a highly competitive and prosperous financial institution for our members, employees, and shareholders. It is certainly within the realm of probability that we will partner with another institution in the next few years in order to continue delivering our stakeholder mandates.

SUPPORTING OUR COMMUNITIES

Surrey Metro Savings continues its long-term commitment to the community. The Company donated over $300,000 through its Community Partnership Program to more than 60 community-based organizations. These funds support events and projects in the areas of arts and culture, education,

sports, health, family services, seniors and the environment. We also provided 20 scholarships for post-secondary education.

The Company also has a long history of support to the United Way. In 2000, we set another Surrey Metro Savings United Way Campaign record, raising over $150,000 through employee contributions of $128,141, coupled with the Credit Union's corporate gift of $23,000.

While the Community Partnership Program is the primary source of funding support to community organizations, the Company provides further sponsorship through various marketing and communications initiatives. These include major sponsorships of events such as Langley Memorial Hospital's Tinman event, the Arts Club Theatre's Surrey and Chilliwack series, and the Parade of Lights Festival in White Rock.

BOARD OF DIRECTORS

We work with an exceptionally talented, dedicated and diverse Board of Directors. The Board plays a vital role in shaping policy and representing the interests of all our stakeholders.

In 2000, Mike McCartney and Rod Bergen completed their terms and retired from the Board. We wish to thank them for their dedication and contributions over their three years with Surrey Metro Savings.

Elected to the Board in May 2000 were Doug Brawn and Gary McCarthy and re-elected was Amber Goddyn. Ms. Goddyn first joined the Board in 1997 and currently serves as a member of the Governance Committee, responsible for overseeing the many facets of corporate governance. Elected to the Board's Executive Committee were Bruce Chapman, Chairman; Frank Harper, Senior Vice Chairman; and Tom Kirstein, Vice Chairman.

The Board is commended for its vision, recognition of the need for change, and good counsel during a time of consolidation and restructuring in our industry.

LOOKING AHEAD

The year ahead will see Surrey Metro Savings in an operating environment every bit as competitive as the last few years. But as we work hard in 2001 to execute the strategic plan put in place in 2000, we will be equipped to survive and prosper. In executing our strategic plan, we will produce an organization that is capable of better serving our members, stronger and more diversified for the benefit of our employees, and better able to earn continuing value for our shareholders.

The issue of partnering with another organization necessarily remains. Surrey Metro Savings brings considerable value and market share to a partnering situation. As in the past, the forces that motivate all our decisions are to make Surrey Metro Savings more competitive for our members, more secure and exciting for our employees, and more valuable for our shareholders.

We take this opportunity to thank our staff for helping us fulfill our Vision: to earn the highest level of customer satisfaction in the financial services industry. We also thank them for producing the most profitable year in our history and for placing Surrey Metro Savings in the top 35 companies in Canada in which to work, ranking number five on this prestigious list.

LLOYD M. CRAIG
President and Chief Executive Officer

BRUCE H. CHAPMAN
Chairman of the Board

	OBJECTIVES	PERFORMANCE
Deposit Growth	Increase deposits by $83 million	**$237 million**
Loan Growth	Increase total loan portfolio by $156 million	**$73 million**
Capital	Attain BIS capital level of 10.0% of risk-weighed assets	**9.6%**
Profitability	Achieve $10.3 million net income after tax	**$13.6 million**
Return on average assets	Achieve an after-tax return of 0.45% on average assets	**0.58%**
Return on average non-voting equity	Achieve return on average non-voting equity of 11.68%	**15.57%**
Non-interest expenses	Total non-interest expenses (including subsidiaries) to be no greater than 2.33% of average assets	**2.32%**
Earnings per non-voting share (basic)	Achieve earnings per non-voting share of $1.89	**$2.58**

FINANCIAL REVIEW

This section of the Annual Report contains details of the operations and financial condition of Surrey Metro Savings (SMS). It also provides a discussion of how SMS manages credit, liquidity, and interest rate risks, as well as information on its capital structure.

INTRODUCTION

SMS successfully competes with banks, trust companies, credit unions, and other financial institutions in its market area by providing a high level of member service and product quality. Its primary business focus is on attracting retail deposits from members in the Fraser Valley region of British Columbia and using this deposit base to fund a loan portfolio primarily comprised of residential, first-mortgage loans.

SMS is a well-established financial institution with a 53-year history of serving the Fraser Valley region, historically one of the fastest growing areas in Canada. The population growth in the Fraser Valley and SMS's ability to compete successfully with other financial institutions have enabled SMS to achieve asset growth without deviating from its conservative strategy of funding residential first-mortgage loans primarily with retail deposits.

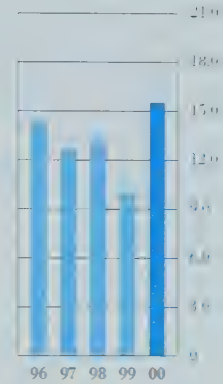
OVERVIEW OF 2000

Net income for 2000 was $13.6 million, up 66.0% from $8.2 million achieved in 1999. Earnings per share for 2000 were $2.58, compared with $1.50 in 1999. Included in the 2000 earnings was a gain of $1.5 million, or $0.29 per share, from the sale of the insurance agency assets and business of Metro Insurance Services Ltd. (MIS). Activities related to the merger offer received from Canada Trust and merger discussions with Richmond Savings Credit Union reduced SMS's after tax income in 1999 by $1.5 million or $0.27 per share. Return on average assets was 0.58% or 0.52% before asset sale of MIS, compared to 0.37% or 0.44% before merger expenses in 1999. Return on non-voting share equity was 15.57% or 13.89% before asset sale of MIS, compared with 10.08% or 11.89% before merger expenses for 1999.

The number of preferred shares (with a $1 par value as required by statute for membership) was 9,356,172 as at December 31, 2000. As prescribed by the Canadian Institute of Chartered Accountants, these preferred shares are classified as liabilities. However, these shares are a part of SMS's capital calculations, as permitted by the Superintendent of Financial Institutions of British Columbia.

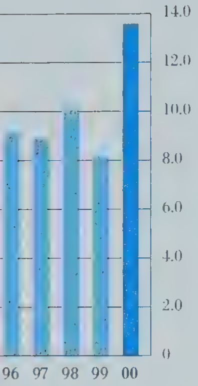
On February 24, 2000 SMS received approval to proceed with a normal course issuer bid to repurchase up to 272,732 non-voting shares. This bid was amended on July 20, 2000 to provide for an ability to repurchase an overall total of 419,852 non-voting shares. In 2000, SMS acquired 345,100 non-voting shares through the facilities of The Toronto Stock Exchange at an average price of $11.19 per share versus a book value of $17.94 as at year end, reducing the number of non-voting shares (basic) outstanding to 5,109,894, down from 5,454,659 as at December 31, 1999. The normal course issuer bid expired on February 27, 2001. A total of 404,000 non-voting shares were repurchased for cancellation.

Assets grew in 2000 by 8.5%, compared with 7.2% for 1999. The increased rate of asset growth was primarily attributable to deposit-gathering activities. Total assets at year-end were $2.5 billion, up from $2.3 billion in 1999. Total loans were $2.0 billion, up 3.8% from $1.9 billion in 1999. Total deposits were $2.4 billion, an increase of 11.1% from $2.1 billion in 1999. Net interest income was



RETURN ON AVERAGE NON-VOTING EQUITY
in percent

ROAE increased as a result of increased earnings and a share buy-back program.



ET INCOME
millions of dollars

igher financial argins and the gain om the sale of the surance business esulted in increased arnings.

$53.4 million, up from $49.4 million in 1999.

Other income was $19.0 million, or $17.1 million excluding the $1.9 million pre-tax gain from asset sale of MIS, versus $16.6 million for the previous year. Non-interest expenses increased to $53.8 million in 2000, compared with $53.3 million or $51.3 million excluding merger expenses of $2.0 million in 1999.

NET INTEREST INCOME

Interest income is the major source of revenue for SMS. In 2000, SMS earned interest income of $157.2 million from borrowers on their loans and from cash resources. This represents an increase of $13.6 million over 1999. Interest expense, which represents amounts paid by SMS on member deposits and corporate borrowings totalled $103.8 million, an increase of $9.6 million over 1999. Both increases reflect the general growth of SMS's loan and deposit portfolios over 1999, and generally higher prevailing interest rates in 2000.

Net interest income represents the difference between interest income and interest expense. Net interest income for 2000 was $53.4 million, compared with $49.4 million for 1999. Net interest income, as a percentage of average assets was 2.30% for 2000, compared with 2.27% for 1999. The increase in net interest income was due to growth and favourable repricing of maturing deposits and loans.

ANALYSIS OF NET INTEREST INCOME

	2000				1999			
in thousands of dollars	Average Balances[1]	Mix (%)	Interest	Interest Rate (%)	Average Balances[1]	Mix (%)	Interest	Interest Rate (%)
Cash resources	319,848	14	15,096	4.72	277,657	13	11,442	4.12
LOANS:								
Residential	1,476,581	64	100,977	6.84	1,400,446	64	94,957	6.78
Commercial	299,152	13	22,862	7.64	282,404	13	20,939	7.41
Personal	70,594	3	6,844	9.69	68,355	3	6,159	9.01
Lines of credit	124,651	5	11,401	9.15	121,144	6	10,120	8.35
Total loans	1,970,978	85	142,084	7.21	1,872,349	86	132,175	7.06
Other	29,338	1	-	-	28,155	1	-	-
Total	2,320,164	100	157,180	6.77	2,178,161	100	143,617	6.59
DEPOSITS:								
Demand	290,594	12	4,123	1.42	288,946	13	3,609	1.25
Term	1,180,812	51	60,288	5.11	1,097,164	50	53,909	4.91
RRSP	550,926	24	27,291	4.95	541,097	25	26,723	4.94
Total deposits	2,022,332	87	91,702	4.53	1,927,207	88	84,241	4.37
Borrowings	153,462	7	11,202	7.30	116,462	5	9,062	7.78
Subordinated notes	10,000	-	907	8.98	10,000	1	907	8.98
Other	48,040	2	-	-	43,709	2	-	-
Shareholders' equity	86,330	4	-	-	80,783	4	-	-
Total	2,320,164	100	103,811	4.47	2,178,161	100	94,210	4.32
Net interest income			53,369	2.30			49,407	2.27

[1]*Calculated on a monthly basis.*

OTHER INCOME

Other income is all income that is not interest related. This includes items such as service charges for retail banking services, lending fees, insurance commissions generated by SMS's insurance company, rental income from SMS-owned properties, creditor insurance commissions, foreign exchange income, Visa fees, and mutual fund commissions. SMS encourages a "user pay" philosophy as much as possible, especially in relation to its deposit accounts and financial services, and reviews its lending fees and service charges annually to ensure adequate returns while maintaining market competitiveness. During 2000, SMS made only minor changes to its service charges. Other income grew by 14.4% to $19.0 million, or 2.8% to $17.1 million excluding the gain on the asset sale of MIS during 2000, compared to $16.6 million in 1999.

NON-INTEREST EXPENSES

Non-interest expenses represent all costs that are not interest-related, excluding provisions for credit losses and income taxes. It includes staff salaries and benefits, occupancy, data processing, marketing, deposit insurance assessments, Credit Union Central of British Columbia (CUCBC) dues, and provincial capital taxes, among other items. Total non-interest expenses were $53.8 million, a $0.5 million or 1.0% increase over 1999, or a $2.5 million or 4.9% increase not including 1999 merger expenses. Non-interest expenses represented 2.32% of average assets, compared with 2.44% of average assets or 2.35% before merger expenses in 1999.

Staffing costs, including incentives, grew by $1.4 million or 5.5%, as compared to $1.1 million or 4.4% in 1999. The incentive program is reviewed by the Board of Directors on a regular basis and can be revised to reflect prevailing economic conditions.

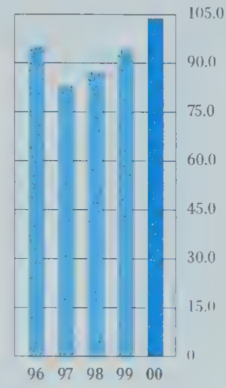
Occupancy costs remained unchanged over 2000. General expenses decreased by $0.9 million. This decrease is significantly attributable to the merger proposal costs in 1999.

CAPITAL EXPENDITURES/PREMISES AND EQUIPMENT

In 2000, SMS experienced capital expenditures as a result of facility renovations and capital replacements and enhancements. The increase in computer equipment and software costs was primarily due to a major upgrade of central computer processing equipment.

Years ended December 31 *(in thousands of dollars)*	2000	1999
Building renovations and improvements	334	86
Leasehold improvements	173	473
Computer equipment/software	4,536	3,327
Furniture and equipment	290	580
Total	5,333	4,466

(Does not include asset disposals)



INTEREST EXPENSE
in millions of dollars

Increased interest costs were the result of increased deposit growth and higher interest rates.

RISK MANAGEMENT

Risk management is an ongoing and continuous process, with the goal of achieving consistent optimal earnings over the long term. All of SMS's investment and loan policies, including risk management, are reviewed annually by the Board of Directors, and the Superintendent of Financial Institutions of British Columbia reviews any changes to previously approved policies for prudence. The Board of Directors also reviews monthly reports on liquidity, interest rate risk, credit loss provisions, delinquent and impaired loans, regulatory capital, and financial performance. There are three principal areas of risk that SMS monitors and manages: interest rate risk, credit risk, and liquidity/investment risk.

INTEREST RATE RISK/MATCHING ASSETS AND LIABILITIES

Interest rate risk represents the effect that changes in interest rates can have on SMS's financial position. Interest rate risk arises when there is a difference in the amount of

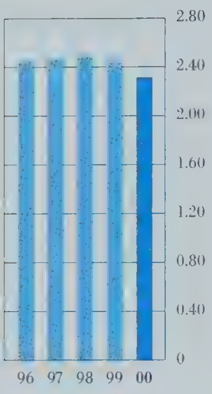
assets and liabilities that mature within a similar period.

While the high proportion of residential first-mortgages provides a stable asset base, like any other financial institution, SMS's annual profitability depends to a considerable extent on its ability to manage the maturities and yields of its assets against the maturities and costs of its liabilities.

SMS closely manages its interest rate risk through various strategies designed to optimize the return to SMS of differences between deposit and loan rates for different maturities. An asset and liability management committee (ALCo) comprised of the Chief Executive Officer, the Chief Financial Officer, the Chief Operating Officer, vice presidents, and other senior managers, meets monthly to review and monitor asset and liability-related activities and initiate policy changes where necessary. A subcommittee of the group meets weekly.

The differentials shown in the table below for different maturities can change from one year to the next and to some extent are dependent on the interest rate expectations held by the mortgage, loan, and deposit members of SMS. As previously noted, this information is monitored by management on a weekly basis to ensure early identification of any trends that are developing, or any differentials that are becoming materially large. Through computer modelling techniques, SMS determines its interest rate risk on a monthly basis. The modelling determines the effect that rising or falling interest rates would have on pre-tax income and market value over the next 12 months. If the interest rate risk is approaching a level above policy guidelines, the largest differentials are reduced through either conventional means, such as deposit drives and the sale of mortgages, or through so-called synthetic means by employing derivative instruments such as interest rate swaps. As at year-end, there were no interest rate swaps in place.

The following table shows the matching of maturities of the assets and liabilities of SMS at December 31, 2000, as well as those at December 31, 1999.



NON-INTEREST EXPENSES TO AVERAGE ASSET RATIO
expressed as a percentage

Non-interest expenses as a percentage of average assets decreased from 2.44% to 2.32%.

ASSET AND LIABILITY MATURITIES

As at December 31		2000			1999	
in thousands of dollars	Assets	Liabilities	Differential	Assets	Liabilities	Differential
INTEREST SENSITIVE						
Maturing within 1 year	1,181,841	1,769,722	587,881	1,048,090	1,543,668[1]	495,578
MATURING BETWEEN						
1-2 years	338,398	259,831	(78,567)	219,488	262,760[2]	43,272
2-3 years	355,850	107,767	(248,083)	326,379	171,808[2]	(154,571)
3-4 years	323,949	76,932	(247,017)	302,507	56,748	(245,759)
4-5 years	237,337	151,693	(85,644)	322,073	139,104	(182,969)
6-10 years	26,583	—	(26,583)	31,162	10,000	(21,162)
Non-interest bearing items[3]	45,961	143,974	98,013	63,406	129,017	65,611
	2,509,919	2,509,919	–	2,313,105	2,313,105	—

[1] *Includes the effect of $40,000,000 in interest rate swaps.*
[2] *Includes the effect of $20,000,000 in interest rate swaps.*
[3] *Assets include cash, accrued interest receivable, premises and equipment and other items. Liabilities include accrued interest payable and other items.*

Rapidly rising interest rates can negatively impact SMS's net interest income, as a large portion of SMS's liabilities will reprice before many of its assets can do the same. Most financial institutions tend to deem a prudent level of asset/liability mismatching to be necessary in order to improve profitability. The challenge is to find the level of mismatch that will optimize net interest income without unduly increasing risk in the event of rapid changes in interest rates.

CREDIT RISK

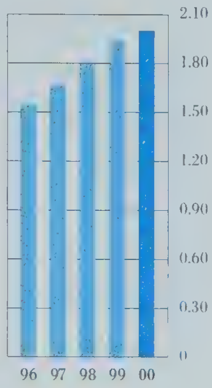
SMS's system for controlling the risk of borrowers defaulting on loan obligations is based upon strict adherence to clearly defined credit policies and credit approval procedures. Authority for loan approval to specified limits is granted to officers within each branch by the Chief Executive Officer, with the guidelines reviewed annually by the Board of Directors. Loan approval limits are established based upon the experience and qualifications of the individuals involved. If a proposed loan is beyond the lending limit prescribed for branch management, it is forwarded to the Manager, Retail Credit, or the Vice President, Credit, depending on the size of the loan. If a loan is beyond the internal lending limit prescribed for the Vice President, Credit, it is submitted to the loans committee (comprised of senior lending managers) and either approved at this level or further recommended for approval to the management credit committee (comprised of the Chief Executive Officer and other executive officers).

New lending in each branch is reviewed annually to ensure adherence to policy guidelines and general credit quality. Loans requiring collection are removed from the branch level and centralized for further follow-up in the Retail Credit Department.

LIQUIDITY/INVESTMENT RISK

As required by the Financial Institutions Act of British Columbia (FIA), 10% of SMS's total deposits and borrowings are held at CUCBC in a liquidity portfolio comprised of deposits with maturities ranging from overnight to one year. The CUCBC deposits provide yields similar to those of Government of Canada Treasury Bills. In addition to the liquidity portfolio held at CUCBC, SMS maintains excess liquidity. SMS's goal is to maintain a total liquidity portfolio of 10.5% to 12.5% of total deposits and borrowings. It is management's view that a total liquidity portfolio between 0.5% and 2.5% in excess of that required by the FIA provides a prudent margin of liquidity over the 10% statutory requirement, without unduly impairing SMS's return on assets.

SMS's investment policy specifies the minimum rating, maximum term, and certain single investment exposures for investments made with excess liquidity. In general, excess liquidity is invested in money market instruments that are rated R-1 low or higher and mature in less than one year. At December 31, 2000, SMS's liquidity was 18.8% of total deposits and borrowings, as compared to 14.9% in 1999.



TOTAL LOANS
in billions of dollars

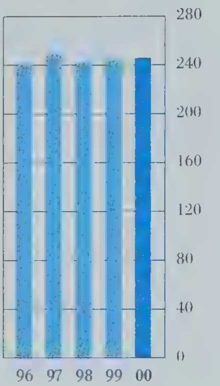
Loan growth was 3.8% in 2000.

LOANS

Total loans as at December 31, 2000 were $2.0 billion, compared with $1.9 billion at the previous year-end, an increase of 3.8%.

SMS aggressively competes for, and is a major holder of, residential first mortgages in the Fraser Valley region. It grants mortgages to individuals according to conventional mortgage-lending standards for residential properties. SMS offers closed fixed-rate mortgages, open variable-rate and fixed-rate mortgages, written with terms of 6 months to 10 years.

At December 31, 2000, SMS's portfolio of residential mortgage loans totalled $1.49 billion, representing 74.6% of total loans outstanding, compared with total residential mortgage loans of $1.45 billion, which represented 75.2% of the total loans at December 31, 1999. Net growth of mortgage loans over 1999 was 3.0%.



AVERAGE ANNUAL DETACHED RESIDENTIAL PRICES
in thousands of dollars

Source: Fraser Valley Real Estate Board

Increases in mortgage rates through the first half of the year resulted in the real estate market in the Fraser Valley region continuing to remain flat in 2000. Compared with other areas of British Columbia's Lower Mainland, such as Vancouver, Richmond, Burnaby and the North Shore, the Fraser Valley continues to offer lower housing prices. The availability of undeveloped land has kept average housing costs significantly lower than in other parts of the Lower Mainland, which results in average mortgages being substantially lower. Lower average mortgage advances may reduce the risk to SMS of individual defaults.

Personal loans to members include instalment loans, demand loans, and lines of credit. SMS also offers a menu of Visa credit cards through arrangements with Community Card Services and Canada 3000. Under the arrangement, SMS does not carry the receivables owing from its credit card holders but earns a fee based on the total net purchases generated by its credit card holders, as well as a per card fee.

At December 31, 2000, SMS had a personal loan portfolio of $188 million representing 9.4% of total loans outstanding, compared with $176 million representing 9.1% of total loans at December 31, 1999.

Commercial lending consists primarily of first-mortgage loans to small and medium-sized businesses for real estate projects in the Lower Mainland region. The types of mortgages offered are similar to residential mortgages, except the maximum term is limited to five years. Although SMS also conducts other forms of commercial lending, these constitute a small portion of the commercial loan portfolio.

At December 31, 2000, SMS's commercial loan portfolio totalled $320 million, representing 16.0% of total loans outstanding, com-

LOAN PORTFOLIO

As at December 31, 2000	Number	Total[1] in millions of dollars	in percent	Average in thousands of dollars
INDIVIDUALS				
Mortgages				
Conventional	8,233	951	47.5	116
Revenue	592	67	3.3	113
Progressive	77	17	0.9	221
Insured	2,345	336	16.8	143
SMS high-ratio	795	122	6.1	154
Subtotal mortgages	12,042	1,493	74.6	124
Other				
PLC[2] (mortgage secured)	1,304	65	3.3	50
PLC[2] (other)	18,958	56	2.8	3
Personal loans	8,943	67	3.3	8
Subtotal other	29,205	188	9.4	6
Subtotal individuals	41,247	1,681	84.0	41
COMMERCIAL	995	320	16.0	322
	-	2,001	100.0	-
Accrued interest	-	6	-	-
Total loan portfolio	42,242	2,007	-	48

[1]*Before allowance for credit losses.*
[2]*Personal Line of Credit.*

pared with $303 million, representing 15.7% at December 31, 1999. Net growth of commercial loans was 5.6%.

SMS maintains conservative lending policies and holds no foreign loans. SMS's policy limits commercial lending to a maximum of 20% of its total assets and the maximum loan exposure to any one borrower to an amount which is the lesser of $10.0 million or 10% of SMS's aggregate share capital, retained earnings and subordinated notes. SMS has no loans outstanding which exceed its internal limit. This limit is included in SMS's internal investment and lending policy, which is reviewed annually by the Superintendent of Financial Institutions of British Columbia.

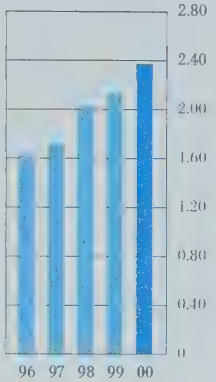
ALLOWANCE FOR CREDIT LOSSES

SMS has an established policy of providing an allowance to cover potential credit losses. It is reviewed on an ongoing basis and if potential credit losses are identified, a specific allowance is established. In 2000, provision for credit losses were $1.8 million, as compared to $2.0 million in 1999. SMS's total allowance for credit losses increased to $5.3 million or 0.27% of total loans. As at December 31, 1999, the total allowance for credit losses was $5.0 million, representing 0.26% of total loans. These allowances are after loan write-offs of $1.5 million in 2000, compared to $1.6 million in 1999.

DEPOSITS

Total deposits as at December 31, 2000 were $2.4 billion, compared with $2.1 billion for the previous year, an increase of 11.1%. Agency and institutional deposits accounted for $723.0 million or 30.5% of total deposits in 2000, as compared to $480.0 million or 22.4% in 1999. Retail deposit growth remained challenging throughout the year due to competition from other financial institutions and mutual funds.

SMS offers a full range of personal deposit services and products, including chequing accounts, savings accounts, and term deposits. All deposit accounts are in Canadian funds, with the exception of a special United States dollar investment chequing account. SMS also provides special benefit packages on some of its accounts for individuals aged 59 and over or 18 and under. SMS is also active in the registered retirement savings plan (RRSP) market, offering term and variable RRSPs and registered retirement income funds (RRIFs).



TOTAL DEPOSITS
in billions of dollars

Deposits grew by 11.1% in 2000 compared to 6.2% in 1999.

ASSET QUALITY COVERAGE

As at December 31 *in thousands of dollars*	2000	1999	1998	1997	1996
Total loans	**2,001,986**	1,928,833	1,803,044	1,668,350	1,548,486
Provision for credit losses (PCL)	**1,800**	2,000	2,331	1,190	1,162
Loan write-offs	**1,489**	1,618	852	1,040	678
Total allowance	**5,324**	5,013	4,631	3,152	3,003
Impaired loans	**7,054**	3,197	4,124	3,845	5,003
Non-voting share equity (NVSE)	**91,688**	84,146	78,123	73,147	66,537
in percent					
PCL as % of total loans	**0.09**	0.10	0.13	0.07	0.08
Loan write-offs as % of total loans	**0.07**	0.08	0.05	0.06	0.04
Impaired as % of total loans	**0.35**	0.17	0.23	0.23	0.32
Impaired as % of NVSE	**7.69**	3.80	5.28	5.26	7.52
Total allowance as % of impaired loans	**75.47**	156.80	112.29	81.98	60.02
Total allowance as % of total loans	**0.27**	0.26	0.26	0.19	0.19

At December 31, 2000, total demand deposits, including preferred shares, represented 12.0% of total deposits, compared with 12.7% in the previous year. Term deposits represented 64.1%, compared with 61.0% in 1999, and term registered savings plans represented 23.9%, compared with 26.3% in 1999.

SMS is an aggressive competitor for deposits. The interest rate environment in 2000 resulted in very modest RRSP deposit growth as investors continued to opt for mutual funds. SMS continues to develop innovative and competitive marketing strategies for this deposit drive. In 2000, the registered savings plans portfolio increased by $6.7 million, compared with a $22.2 million increase in 1999.

Term deposits are the most suitable for matching SMS's mortgage lending. SMS continued to be successful throughout 2000 in developing a term portfolio (including registered plans), which represented 86.7% of the total deposit base as at December 31, 2000, compared with 87.3% in 1999.

Although deposit interest rates were generally higher in 2000 than in 1999, they were still low historically. They were also low when compared to the gains being achieved from mutual funds, stocks, and other equities. As such, deposit growth continued to be a challenge. SMS introduced various flexible deposit products throughout the year, designed to appeal to both retail members and institutional clients.

SMS also actively markets the family of ethical mutual funds, a group of mutual funds owned and managed by the Canadian credit union system. These funds provide SMS members with another investment option and provide SMS with an alternative source of fee income. SMS also sells a variety of third-party mutual funds and receives the standard commissions for these sales. As at December 31, 2000, SMS had mutual funds under administration for its members totalling $190.5 million, as compared to $170.6 million as at December 31, 1999.

BORROWINGS

SMS has arrangements with several financial institutions for a $115 million syndicated loan. As well, SMS has a facility with another financial institution for $50 million. Both loan facilities are subject to standby fees and may be drawn down at any time. In addition to these facilities, SMS maintains a substantial loan facility with CUCBC. Outstanding amounts under all three facilities fluctuated in the normal course of business during the past year. As at year-end, total outstanding amounts were $25 million, down from $75 million in 1999.

CAPITAL

SMS's capital requirements are regulated by the Financial Institutions Commission (FICOM) using the risk-weighted approach developed by the Bank for International Settlements (BIS). FICOM established a minimum capital standard based on a ratio of capital-to-risk-weighted assets of 8%. At least 50% of a credit union's capital base, for the purpose of meeting the standard, must consist of primary capital, known as Tier 1, comprised of non-voting shares, contributed surplus, preferred shares, and retained earnings, less intangible assets, and future income taxes. Secondary capital, known as Tier 2, includes subordinated notes and 50% of a credit union's portion of retained earnings in the Credit Union Deposit Insurance Corporation (CUDIC), CUCBC, and Stabilization Central Credit Union (Stab Central). A credit union's assets are weighted according to six categories of relative risk ranging from 0% to 150%. Residential mortgages, which form the majority of the assets of SMS, are risk-weighted at 50%.

As at December 31, 2000, SMS had a total capital ratio of 9.6%, down from the 10.1% held in 1999.

The following tables show the levels of SMS's capital and its risk-weighted assets under the BIS requirements:

TIER 1 AND 2 CAPITAL

As at December 31 *(in thousands of dollars)*	2000	1999
TIER 1 CAPITAL		
Non-voting shares	25	27
Contributed surplus	296	292
Preferred shares	9,356	8,857
Retained earnings	91,367	83,827
	101,044	93,003
Less: Intangible assets	(3,079)	(1,429)
Future income taxes	(1,445)	(1,784)
	96,520	89,790
TIER 2 CAPITAL		
Subordinated notes	10,000	10,000
Portion of equity in CUCBC, CUDIC, and Stab Central[1]	14,007	12,912
	24,007	22,912
Total capital	120,527	112,702

[1]*Represents 50% of the total amount of SMS's portion.*

RISK-WEIGHTED ASSETS

As at December 31 *in thousands of dollars*	2000 Balance Sheet Amount	1999 Balance Sheet Amount	BIS Risk Weight (%)	2000 Risk-Weighted Balance	1999 Risk-Weighted Balance
Cash resources	283,913	333,955	0	–	–
Commercial paper	182,566	11,455	0-100	97,255	5,728
Residential mortgages	1,163,165	1,131,809	50	581,582	565,904
Insured mortgages	272,524	258,571	0	–	–
High-ratio mortgages	122,301	118,288	100	122,301	118,288
Personal loans	124,464	117,862	0-80	90,192	84,678
Commercial loans	319,532	302,303	100	319,532	302,303
Revenue property	2,377	4,720	150	3,566	7,080
Other assets/investments	39,077	34,142	100	39,077	34,142
	2,509,919	2,313,105		1,253,505	1,118,123

in percent	2000	1999
Ratio of capital to risk-weighted assets:		
Tier 1 capital to risk-weighted assets	7.7	8.0
Tier 2 capital to risk-weighted assets	1.9	2.1
Total capital to risk-weighted assets	9.6	10.1

OUTLOOK

Loans and Deposits

A continuing slow British Columbia economy will likely dampen activity in the real estate market and consequently may limit SMS's mortgage growth. However, falling interest rates since the fourth quarter in 2000 may offset this trend. Management does not expect loan growth to substantially change from 2000.

Recent volatility in North American stock markets may have a positive impact on SMS's deposit-gathering activities as investors become disenchanted by lower mutual fund returns. SMS plans to continue exploring new innovative deposit products with the objective of attracting new customers and diversifying its overall funding resources.

Liquidity

SMS is targeting liquidity to remain in the range of 10.5% to 12.5% of total deposits and borrowings. In management's opinion, this margin above the 10.0% statutory minimum, together with the ability to access its loan facilities and to sell mortgages, will provide adequate liquidity for normal operations.

Income

Based on the current level of interest rates, SMS is anticipating net interest income to largely remain unchanged from 2000 levels. However, if interest rates decline substantially, net interest income in 2001 will likely be increased.

Provisions for credit losses in 2001 are not expected to change significantly from 2000.

Current income tax legislation provides that British Columbia corporations are taxed at rates as high as 44.6%. Credit unions can reduce normal corporate income tax rates through a special income tax rate reduction that is based upon the relationship between the level of deposits and accumulated pre-tax earnings that were previously taxed at the reduced rates. Due to the projected deposit growth expected in 2001, SMS may not receive this tax rate reduction on portions of its 2001 taxable income, and accordingly, is increasing its provision for income taxes from 20% to 40% for fiscal 2001. In the event that deposit growth returns to historic levels, SMS will be able to reduce its income tax rate from the projected rate of 40%.

SMS's focus on revenue enhancement and diversification, combined with its commitment to improve operating efficiencies, should produce solid financial results in 2001.

MANAGEMENT'S RESPONSIBILITY

The consolidated financial statements and all other information contained in the Annual Report are the responsibility of management and have been approved by the Board of Directors. The consolidated financial statements have been prepared by management in accordance with the requirements of the Credit Union Incorporation Act and appropriate generally accepted accounting principles in Canada, and include amounts based on informed judgements and estimates of the expected effects of current events and transactions. Financial information presented elsewhere in this Annual Report is consistent with that in the consolidated financial statements.

In meeting its responsibility for the reliability of financial data, management relies on comprehensive internal accounting, operating and system controls. Controls include an organizational structure providing for effective segregation of responsibilities, delegation of authority and personal accountability, and careful selection and training of personnel; the application of accounting and administrative policies and procedures necessary to ensure adequate internal control over transactions, assets and records, as well as a continued program of extensive internal audits. These controls are designed to provide reasonable assurance that financial records are reliable for preparing financial statements and maintaining accountability for assets, and that assets are safeguarded against unauthorized use or disposition. The Board of Directors has appointed an Audit Committee, comprised of three Directors, to review with management and auditors the annual financial statements prior to submission to the Board of Directors for final approval.

Grant Thornton LLP has been appointed by the membership as independent auditors to examine and report on the consolidated financial statements and their report appears below. They have had full and free access to the internal audit staff and the Audit Committee of the Board.

Lloyd M. Craig
President and Chief Executive Officer

Hermann G. Bessert
Chief Financial Officer

AUDITORS' REPORT

To The Members and Shareholders of Surrey Metro Savings Credit Union

We have audited the consolidated balance sheets of Surrey Metro Savings Credit Union as at December 31, 2000 and 1999 and the consolidated statements of income, retained earnings and cash flows for the years then ended. These financial statements are the responsibility of the credit union's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these consolidated financial statements present fairly, in all material respects, the financial position of the credit union as at December 31, 2000 and 1999 and the results of its operations and cash flows for the years then ended in accordance with Canadian generally accepted accounting principles. As required by the Financial Institutions Act of British Columbia, we report that, in our opinion, these principles have been applied on a consistent basis.

Grant Thornton LLP

Chartered Accountants
New Westminster, Canada

February 9, 2001

CONSOLIDATED BALANCE SHEETS

December 31 *in thousands of dollars*	Note	2000	1999
Assets			
Cash resources	3	**466,479**	345,410
Loans	4	**2,001,986**	1,928,833
Other	5	**19,371**	17,719
Premises and equipment	6	**22,083**	21,143
		2,509,919	2,313,105
Liabilities			
Deposits	7	**2,371,623**	2,134,861
Other	8	**11,608**	9,098
Borrowings	9	**25,000**	75,000
		2,408,231	2,218,959
Subordinated notes	10	**10,000**	10,000
Shareholders' equity			
Share capital	11	**321**	319
Retained earnings	12	**91,367**	83,827
		91,688	84,146
		2,509,919	2,313,105
Commitments	17		

On behalf of the Board

Director

Frank Harper

Director

See accompanying notes to the consolidated financial statements.

CONSOLIDATED STATEMENTS OF INCOME

Years ended December 31
in thousands of dollars, except per share amounts

	Note	2000	1999
Interest income	13		
Loans		142,084	132,175
Cash resources		13,790	10,971
Other		1,306	471
		157,180	143,617
Interest expense			
Deposits		91,702	84,241
Borrowings		12,109	9,969
		103,811	94,210
Net interest income		53,369	49,407
Provision for credit losses		1,546	1,810
		51,823	47,597
Other income	14	18,961	16,572
		70,784	64,169
Non-interest expenses			
Salaries and employee benefits		27,808	26,366
Occupancy		6,739	6,754
General	15	19,249	20,132
		53,796	53,252
Net income before income taxes		16,988	10,917
Provision for income taxes	16	3,437	2,756
Net income		13,551	8,161
Average number of non-voting shares (in thousands)		5,263	5,454
Earnings per non-voting share			
Basic		2.58	1.50
Fully diluted		2.42	1.41

See accompanying notes to the consolidated financial statements.

CONSOLIDATED STATEMENTS OF RETAINED EARNINGS

Years ended December 31 *in thousands of dollars*	2000	1999
Beginning of year	83,827	77,848
Net income	13,551	8,161
Redemption of non-voting shares	(3,870)	-
Dividends on non-voting shares	(2,141)	(2,182)
End of year	91,367	83,827

See accompanying notes to the consolidated financial statements.

CONSOLIDATED STATEMENTS OF CASH FLOWS

Years ended December 31 *in thousands of dollars*	2000	1999
CASH RESOURCES PROVIDED BY (USED IN)		
Operating activities		
Net income	13,551	8,161
Adjustments to determine cash flows:		
Amortization of premises, equipment and goodwill	4,285	4,164
Future income taxes	340	354
Provision for credit losses	1,546	1,810
Changes in accrued interest receivable and payable	4,420	380
Changes in other non-cash operating items	1,220	(2,544)
	25,362	12,325
Financing activities		
Increase in deposits, net	231,803	125,017
(Decrease) increase in borrowings, net	(50,000)	25,000
(Repurchase) issuance of non-voting shares, net	(3,866)	44
Dividends on non-voting shares	(2,141)	(2,182)
	175,796	147,879
Investing activities		
Increase in loans, net	(74,162)	(127,589)
Purchase of premises and equipment, net	(5,223)	(4,334)
Increase in other assets	(704)	(598)
	(80,089)	(132,521)
INCREASE IN CASH RESOURCES	121,069	27,683
CASH RESOURCES, BEGINNING OF YEAR	345,410	317,727
CASH RESOURCES, END OF YEAR	466,479	345,410
Supplemental disclosure of cash flow information:		
Interest received during the year	155,728	142,841
Interest paid during the year	98,853	93,820
Income taxes paid during the year	2,524	3,287

See accompanying notes to the consolidated financial statements.

December 31, 2000 and 1999
all tabular amounts are in thousands of dollars, except per share amounts

GOVERNING LEGISLATION AND OPERATIONS

Surrey Metro Savings Credit Union (SMS) is incorporated under the Credit Union Incorporation Act of British Columbia; the operation of SMS is subject to the Financial Institutions Act of British Columbia. SMS serves members principally in the Fraser Valley region of British Columbia.

1. SIGNIFICANT ACCOUNTING POLICIES

These consolidated financial statements have been prepared in accordance with accounting practices generally accepted in Canada. In preparing these consolidated financial statements management has made estimates and assumptions that affect the amounts reported. Actual results could differ from those estimates.

Basis of consolidation
The consolidated financial statements include the assets, liabilities and results of operations of SMS and its wholly owned subsidiaries, Metro Insurance Services Ltd. and Shoreline Projects Ltd.

Loans
Loans are stated at the unpaid principal plus accrued interest less an allowance established to provide against probable losses on ultimate realization of the loan portfolio.

Loan interest
Interest income from loans is recorded by the accrual method, except for impaired loans classified as non-accrual. Interest income from loans classified as non-accrual is recorded on a cash basis into revenue when there exists no allowance for credit loss against the principal amount. In cases where an allowance for credit loss exists against the principal, and interest is recorded on a cash basis, amounts so received are used to reduce the principal.

Loan fees
Penalty income recorded on prepayment or renegotiation of fixed term loans is deferred and amortized to income over the average term of such loans.

Allowances for credit losses
SMS maintains specific allowances for credit losses that reduce the book value of loans identified as impaired to their estimated realizable amounts. An impaired loan is classified as non-accrual at the earlier of:

- in the opinion of management, there is reasonable doubt as to the collectibility of principal or interest
- interest is 90 days past due unless there is adequate security
- interest is 180 days past due.

Estimated realizable amounts are determined by discounting the expected future cash flows at the effective interest rate inherent in the loans, or by estimating the fair value of security underlying the loans and deducting costs of realization, or by estimating market prices for the loans.

SMS maintains a general allowance to absorb credit losses attributable to any deterioration of loan quality of the portfolio for which specific allowances cannot yet be determined. The general allowance is established based on payment arrears, known risks in the portfolio, historical credit loss experience and current economic conditions and trends.

Write-offs are generally recorded after all reasonable restructuring or collection activities have taken place and the possibility of further recovery is considered to be remote.

Investments
Investments are recorded at the lower of estimated net realizable value and cost.

Premises and equipment
Premises and equipment are recorded at cost less amortization which is provided using the straight-line method over the estimated useful lives of the assets, as follows:

Buildings	40 to 50 years
Leasehold improvements	10 years
Computer and telephone equipment	3 years
Furniture and other equipment	5 to 10 years

Dividends
Dividends on preferred shares classified as deposit liabilities are charged to income for the year in respect of which they are calculated and are included in interest expense.

Dividends on non-voting shares classified as equity are charged to retained earnings in the year that they are declared.

Income taxes
SMS follows the asset and liability method of accounting for income taxes, whereby future tax assets and liabilities are recognized for the expected future tax consequences attributable to differences between the financial statement carrying amount of existing assets and liabilities and their respective tax bases and operating loss and tax credit carry forwards. Future tax assets and liabilities are measured using enacted or substantively enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled.

Net future income tax assets and liabilities are included in other assets or other liabilities, as applicable.

Derivatives
SMS enters into interest rate swap agreements and other derivative financial instruments to manage its exposure to interest rate risk. Interest rate swaps are normally designated as hedges (reducing interest rate risk), and any gains or losses are recognized on the same basis as, and netted against, the interest income or expense related to the hedged item.

Assets under administration
SMS administers certain assets in the capacity of custodian for others and loans that have been securitized and sold. Assets under administration are not the property of SMS and are not reflected in the consolidated financial statements. Revenue from service fees earned for administration is recorded in other income.

Comparative figures
Certain comparative figures have been reclassified to conform with the current year's financial statement presentation.

2. CHANGES IN ACCOUNTING POLICIES

Effective January 1, 2000, SMS changed its method of accounting for income taxes and employee future benefits as required by the Canadian Institute of Chartered Accountants. As permitted under the new standards, prior year financial statements have not been restated. The effect of these changes is not material.

3. CASH RESOURCES

	2000	1999
Cash on hand, deposits with banks and Credit Union Central of British Columbia, cheques and other items in transit	8,166	29,050
Demand and term deposits with Credit Union Central of British Columbia, due within one year	270,499	300,058
Bankers acceptances, commercial paper and other money market notes, due within one year	181,881	11,283
Accrued interest	5,933	5,019
	466,479	345,410

4. LOANS

2000	Residential Mortgages	Personal Loans	Commercial Mortgages and Loans	Total
Loan principal	1,493,085	187,820	320,131	2,001,036
Accrued interest	4,031	301	1,942	6,274
Total loans	1,497,116	188,121	322,073	2,007,310
Allowance for credit losses	1,851	1,306	2,167	5,324
	1,495,265	186,815	319,906	2,001,986
Impaired loans	4,115	73	2,866	7,054
Less amounts where loss is not expected	3,571	-	2,799	6,370
Specific allowances	544	73	67	684
General allowances	1,307	1,233	2,100	4,640
	1,851	1,306	2,167	5,324

1999	Residential Mortgages	Personal Loans	Commercial Mortgages and Loans	Total
Loan principal	1,448,570	176,060	303,480	1,928,110
Accrued interest	3,727	280	1,729	5,736
Total loans	1,452,297	176,340	305,209	1,933,846
Allowance for credit losses	1,438	1,310	2,265	5,013
	1,450,859	175,030	302,944	1,928,833
Impaired loans	2,931	199	67	3,197
Less amounts where loss is not expected	2,672	73	-	2,745
Specific allowances	259	126	67	452
General allowances	1,179	1,184	2,198	4,561
	1,438	1,310	2,265	5,013

	2000	1999
ALLOWANCE FOR CREDIT LOSSES		
Balance, beginning of year	5,013	4,631
Provision, before recoveries of $254 (1999 - $190)	1,800	2,000
	6,813	6,631
Write-offs	(1,489)	(1,618)
Balance, end of year	5,324	5,013
Percentage of total loans	0.27%	0.26%

5. OTHER ASSETS

	2000	1999
INVESTMENTS		
Shares, Credit Union Central of British Columbia	10,542	10,245
OTHER		
Accounts receivable	1,830	841
Deferred leasing costs	99	109
Prepaid expenses	4,935	4,624
Future income taxes, net (Note 16)	1,445	1,785
Other	520	115
	8,829	7,474
	19,371	17,719

6. PREMISES AND EQUIPMENT

	Cost	Accumulated Amortization	2000 Net Book Value	1999 Net Book Value
Land	3,402	-	3,402	3,402
Buildings	12,946	5,783	7,163	7,349
Leasehold improvements	6,434	3,389	3,045	3,354
Computer and telephone equipment	19,453	13,743	5,710	3,667
Furniture and other equipment	11,878	9,115	2,763	3,371
	54,113	32,030	22,083	21,143

7. DEPOSITS

	2000	1999
Demand	274,246	262,482
Term	1,496,031	1,283,176
Registered savings plans	551,699	545,014
Preferred shares	9,356	8,857
Accrued interest	40,291	35,332
	2,371,623	2,134,861

Preferred shares included in deposits comprise an unlimited number of non-transferable, cumulative, redeemable shares with a par value of $1 each, issued as a condition of membership to a maximum of 1,000 shares per member. Each share is entitled to a cumulative dividend at a floating rate equal to SMS's average daily prime rate of interest during the year and is redeemable at par value on withdrawal of membership.

8. OTHER LIABILITIES

	2000	1999
Deferred mortgage prepayment penalties	**1,523**	2,749
Interest payable	**844**	906
Deferred rental income	**542**	421
Other, including accounts payable and accruals	**8,699**	5,022
	11,608	9,098

9. BORROWINGS

Maturity Date	Interest Rate %	2000	1999
CREDIT UNION CENTRAL OF BRITISH COLUMBIA			
June 18, 2001	6.60	**15,000**	-
June 18, 2001	6.60	**5,000**	-
August 21, 2001	7.52	**5,000**	5,000
August 30, 2000	7.25	-	10,000
September 18, 2000	7.40	-	20,000
		25,000	35,000
SYNDICATED BANK BORROWINGS			
February 4, 2000	5.53	-	40,000
		25,000	75,000

Credit facility
SMS has established a credit facility of $50,000,000 (1999 – $50,000,000) with a Canadian chartered bank. The credit facility is secured by a first floating charge on certain residential mortgages ranking in priority to the security of Credit Union Central of British Columbia and must be repaid by June 30, 2003. As at December 31, 2000, borrowings were $Nil and a letter of credit of $15,000,000 was outstanding.

Credit Union Central of British Columbia
The borrowings are secured by a demand debenture in the amount of $57,000,000 in favour of Credit Union Central of British Columbia, which creates a floating charge on assets and undertakings of SMS, and an assignment of book debts. Interest is payable semi-annually. As at December 31, 2000, letters of credit of $142,750,000 (1999 – $Nil) were outstanding.

Syndicated bank borrowings
Borrowings syndicated by four financial institutions, for up to $115,000,000 (1999 – $115,000,000), are secured by a $230,000,000 floating charge and a security interest on assets and undertakings of SMS. The syndicated bank borrowings are subordinated in right of repayment of borrowings to a Canadian chartered bank and Credit Union Central of British Columbia up to $300,000,000. Repayment of individual loans provided under these borrowings is required on or before July 4, 2005. This maturity date may be extended by mutual agreement. Interest is payable every 30 days for loans due within 6 months and not less than semi-annually for loans of longer duration.

10. SUBORDINATED NOTES

Unsecured notes in the amount of $10,000,000 (1999 – $10,000,000) bear interest at 8.98% per annum, are payable semi-annually and mature on October 4, 2006. These notes are redeemable after October 4, 2001 and are subordinated in right of repayment of borrowings to a Canadian chartered bank, Credit Union Central of British Columbia, syndicated bank borrowings, and deposits.

11. SHARE CAPITAL

Authorized:
Non-voting shares
An unlimited number of transferable non-voting shares with a par value of $0.005 each, fully participating in earnings after payment of dividends on preferred shares included in deposit liabilities.

First preferred shares
An unlimited number of retractable first preferred shares without par value and without fixed dividend entitlements.

Issued and outstanding:
Non-voting shares

	2000		1999	
	Number of Shares	Amount	Number of Shares	Amount
Beginning of year	**5,454,659**	**319**	5,451,472	275
Repurchased	**(345,100)**	**(2)**	-	-
Issued	**335**	**4**	3,187	44
End of year	**5,109,894**	**321**	5,454,659	319

First preferred shares
As at December 31, 2000, there were no first preferred shares issued and outstanding.

Stock options
Certain key employees have been granted options to purchase non-voting shares at prices based on the market price of the shares as determined on the date of the grant. The total stock options outstanding are as follows:

Year Granted	Price per Share	Expiry Date	2000 Number of Shares	1999 Number of Shares
1992	6.00	October 28, 2002	**11,000**	11,000
1993	9.88	November 3, 2003	**11,000**	11,000
1994	11.00	November 1, 2004	**17,000**	17,000
1995	8.50	October 30, 2005	**32,000**	32,000
1996	9.13	January 22, 2006	**8,000**	8,000
1996	11.40	October 28, 2006	**44,000**	44,000
1997	12.05	October 27, 2007	**44,000**	44,000
1998	15.25	May 19, 2003	**90,000**	90,000
1998	15.25	July 26, 2003	**60,000**	60,000
			317,000	317,000
Employee stock option plan			**19,797**	9,748
			336,797	326,748

12. CAPITAL REQUIREMENTS

The Financial Institutions Act requires SMS to maintain a capital base which is adequate in relation to its level of business activities. The level of capital required is based on a prescribed percentage of the total value of its risk-weighted assets, each asset of SMS being assigned a risk factor based on the probability that a loss may be incurred on ultimate realization of that asset.

12. CAPITAL REQUIREMENTS (CONTINUED)

The Financial Institutions Act regulations prescribe that the minimum required capital base is 8% of the risk-weighted value of assets. At December 31, 2000, SMS had a capital base of 9.6% (1999 – 10.1%) of the total value of risk-weighted assets.

13. INTEREST INCOME

Interest income from loans includes $1,719,000 (1999 – $2,518,000) of penalty income recorded for prepayment or renegotiation of fixed term loans.

14. OTHER INCOME

	2000	1999
Account service fees	7,138	7,202
Commissions	5,869	5,240
Lending fees	2,639	2,511
Other	1,389	1,619
Gain on sale of insurance agency assets and business	1,926	-
	18,961	16,572

15. GENERAL OPERATING EXPENSES

	2000	1999
Bonding and other insurance	324	310
Capital taxes	1,031	922
Chequing service charges	1,418	1,575
Data processing	4,946	3,547
Deposit insurance assessment	854	996
Dues, Credit Union Central of British Columbia	406	414
Marketing	2,827	2,900
Merger proposals	-	1,961
Professional and other services	2,300	2,515
Stationery, telephone and postage	2,597	2,590
Sundry	2,546	2,402
	19,249	20,132

16. PROVISION FOR INCOME TAXES

The components of income tax expense are as follows:

	2000	1999
Current income tax expense	3,097	2,402
Future income tax expense	340	354
Provision for income taxes	3,437	2,756

The total provision for income taxes in the statement of earnings and retained earnings is at a rate less than the combined federal and provincial statutory income tax rate of the applicable year for the following reasons:

Combined federal and provincial statutory income tax rate	45.6%	45.6%
Increase (decrease) in rate due to:		
Rate reduction applicable to credit unions	(27.4)%	(25.5)%
Other, net	2.0%	5.1%
Effective income tax rate	20.2%	25.2%

The components of future income tax balances are as follows:

	2000	1999
Allowance for credit losses	1,100	980
Deferred items	403	629
Other, net	(58)	176
Net future income tax asset	1,445	1,785

17. COMMITMENTS

Lease commitments

SMS occupies branch premises under long term leases extending to 2005. Aggregate basic annual lease payments for each of the next five years are:

2001	1,662,000
2002	1,453,000
2003	1,439,000
2004	1,245,000
2005	680,000

Off-balance sheet commitments

In the normal course of business, SMS enters into various off-balance sheet commitments such as letters of credit and derivative contracts. The letters of credit and the notional principal amounts for derivative contracts reported below are not reflected in the consolidated balance sheets. Details of these are as follows:

Letters of credit

At December 31, 2000, SMS had outstanding letters of credit on behalf of customers in the amount of $4,186,000 (1999 – $5,641,000). These letters of credit were fully secured by monies on deposit.

Derivative contracts

Interest rate swaps

At December 31, 2000, SMS had outstanding interest rate swap contracts in the notional principal amount of $Nil (1999 – $40,000,000). Interest rate swaps are transactions in which two parties exchange interest flows on a specified notional principal amount for a predetermined period based on agreed-upon fixed and floating rates. Principal amounts are not exchanged and are not indicative of a credit exposure.

Index-linked contracts

At December 31, 2000, SMS had outstanding index-linked contracts in the notional principal amount of $14,063,000 (1999 – $13,777,000). Index-linked contracts are transactions in which for a fee SMS can manage its exposure to changes in the value of index-linked deposit products. Principal amounts are not exchanged and are not indicative of a credit exposure.

18. INTEREST RATE SENSITIVITY

Interest rate risk is the sensitivity of SMS's financial condition to movements in interest rates.

Maturity dates substantially coincide with interest adjustment dates. Amounts with floating rates, or due on demand, are classified as maturing within three months, regardless of maturity. Amounts that are not interest sensitive are grouped together, regardless of maturity.

The table below does not incorporate management's expectation of future events where repricing or maturity dates of certain loans and deposits differ significantly from the contractual dates.

2000	Interest Sensitive Balances: Within 3 Months	4 Months to 1 Year	Over 1 to 5 Years	Not Interest Sensitive	Total
ASSETS					
Cash resources	302,380	150,000	-	14,099	466,479
Yield	*5.83%*	*5.98%*	-		
Loans	526,552	192,367	1,282,117	950	2,001,986
Yield	*8.31%*	*7.17%*	*6.85%*		
Other	-	10,542	-	30,912	41,454
Yield	-	*11.00%*	-		
	828,932	352,909	1,282,117	45,961	2,509,919
LIABILITIES AND SHAREHOLDERS' EQUITY					
Deposits	1,005,733	728,989	596,223	40,678	2,371,623
Yield	*4.55%*	*5.21%*	*5.56%*		
Borrowings and subordinated notes	-	35,000	-	-	35,000
Yield	-	*7.41%*	-		
Other	-	-	-	103,296	103,296
Yield	-	-	-		
	1,005,733	763,989	596,223	143,974	2,509,919
Derivatives, net	-	-	-	-	-
Interest sensitivity position	(176,801)	(411,080)	685,894	(98,013)	-

1999	Interest Sensitive Balances: Within 3 Months	4 Months to 1 Year	Over 1 to 5 Years	Not Interest Sensitive	Total
ASSETS					
Cash resources	108,533	202,808	-	34,069	345,410
Yield	*5.06%*	*5.12%*	-		
Loans	401,150	325,354	1,201,609	720	1,928,833
Yield	*7.83%*	*7.12%*	*6.62%*		
Other	-	10,245	-	28,617	38,862
Yield	-	*4.70%*	-		
	509,683	538,407	1,201,609	63,406	2,313,105
LIABILITIES AND SHAREHOLDERS' EQUITY					
Deposits	888,393	585,275	625,420	35,773	2,134,861
Yield	*4.24%*	*4.67%*	*4.92%*		
Borrowings and subordinated notes	40,000	30,000	15,000	-	85,000
Yield	*5.53%*	*7.35%*	*8.49%*		
Other	-	-	-	93,244	93,244
Yield	-	-	-		
	928,393	615,275	640,420	129,017	2,313,105
Derivatives, net	-	40,000	(40,000)	-	-
Interest sensitivity position	(418,710)	(36,868)	521,189	(65,611)	-

19. FAIR VALUES OF FINANCIAL INSTRUMENTS

The estimated fair values of financial instruments are designed to approximate values at which these instruments could be exchanged in a current transaction between willing parties. However, not all financial instruments are readily marketable. As a result, the estimates of fair value are subjective and should not be considered precise.

No fair values have been determined for premises and equipment, goodwill or any other asset or liability that is not a financial instrument. The fair values of cash resources, variable rate loans and deposits, other assets and liabilities are assumed to equal their book values. The fair values of fixed rate loans and deposits are determined by discounting the expected future cash flows at the estimated current market rates for loans and deposits with similar characteristics.

The difference between the book and fair values of SMS's financial instruments is due primarily to changes in interest rates. As SMS normally holds these instruments to maturity, the book values have not been adjusted to reflect the differences.

	2000			1999		
	Book Value	Fair Value	Difference	Book Value	Fair Value	Difference
ASSETS						
Cash resources	466,479	466,690	211	345,410	345,172	(238)
Loans	2,001,986	1,995,391	(6,595)	1,928,833	1,888,776	(40,057)
Other	10,542	10,542	-	10,245	10,250	5
LIABILITIES						
Deposits	2,371,623	2,367,267	(4,356)	2,134,861	2,122,439	(12,422)
Borrowings	25,000	24,854	(146)	75,000	75,137	137
Subordinated notes	10,000	10,004	4	10,000	10,014	14
Other	9,543	9,543	-	5,928	5,928	-
DERIVATIVE CONTRACTS						
Interest rate swaps	-	-	-	-	(666)	(666)
Index-linked contracts	-	7,377	7,377	-	4,203	4,203

20. OTHER INFORMATION

At December 31, 2000, outstanding loans to directors, officers and employees totalled $36,533,000 (1999 – $37,998,000), which included 307 mortgages totalling $32,074,000 and 903 other loans totalling $4,459,000.

During the year, directors, in their capacity as directors, received remuneration of $150,000 (1999 – $200,000).

During the year, in the normal course of business, SMS paid $132,000 for professional services to and received $98,000 in rental income from a professional firm, of which a partner is a director of SMS.

Unaudited *in thousands of dollars*	Dec 31/00	Dec 31/99	Sep 30/00	Sep 30/99	Jun 30/00	Jun 30/99	Mar 31/00	Mar 31/99
BALANCE SHEETS								
Assets								
Cash resources	**466,479**	345,410	**246,184**	235,860	**251,961**	232,044	**242,180**	209,136
Loans	**2,001,986**	1,928,833	**2,000,041**	1,901,168	**1,972,906**	1,874,474	**1,944,652**	1,851,385
Other	**19,371**	17,719	**18,794**	18,957	**17,833**	17,677	**19,134**	17,457
Premises and equipment	**22,083**	21,143	**21,463**	19,843	**21,477**	20,263	**21,170**	20,724
	2,509,919	2,313,105	**2,286,482**	2,175,828	**2,264,177**	2,144,458	**2,227,136**	2,098,702
Liabilities								
Deposits	**2,371,623**	2,134,861	**2,009,106**	1,937,270	**1,944,410**	1,859,530	**1,943,027**	1,856,961
Other	**11,608**	9,098	**12,926**	11,916	**16,796**	12,682	**8,126**	10,065
Borrowings	**25,000**	75,000	**167,000**	134,000	**207,000**	182,000	**180,000**	142,000
	2,408,231	2,218,959	**2,189,032**	2,083,186	**2,168,206**	2,054,212	**2,131,153**	2,009,026
Subordinated notes	**10,000**	10,000	**10,000**	10,000	**10,000**	10,000	**10,000**	10,000
Shareholders' equity								
Share capital	**321**	319	**318**	320	**319**	320	**319**	320
Retained earnings	**91,367**	83,827	**87,132**	82,322	**85,652**	79,926	**85,664**	79,356
	91,688	84,146	**87,450**	82,642	**85,971**	80,246	**85,983**	79,676
	2,509,919	2,313,105	**2,286,482**	2,175,828	**2,264,177**	2,144,458	**2,227,136**	2,098,702
INCOME STATEMENTS								
Interest income	**41,463**	37,097	**39,783**	36,178	**38,300**	35,310	**37,634**	35,032
Interest expense	**27,566**	24,910	**26,347**	23,503	**25,102**	22,951	**24,796**	22,846
Net interest income	**13,897**	12,187	**13,436**	12,675	**13,198**	12,359	**12,838**	12,186
Provision for credit losses	**413**	749	**370**	352	**385**	345	**378**	364
	13,484	11,438	**13,066**	12,323	**12,813**	12,014	**12,460**	11,822
Other income	**6,256**	4,009	**4,301**	4,027	**4,206**	4,299	**4,198**	4,237
	19,470	15,447	**17,367**	16,350	**17,019**	16,313	**16,658**	16,059
Non-interest expenses	**14,384**	13,791	**13,189**	12,372	**13,301**	13,542	**12,922**	13,547
	5,356	1,656	**4,178**	3,978	**3,718**	2,771	**3,736**	2,512
Provision for income taxes	**(1,221)**[1]	(940)[1]	**1,673**	1,582	**1,479**	1,110	**1,506**	1,004
Net income	**6,577**	2,596	**2,505**	2,396	**2,239**	1,661	**2,230**	1,508
Earnings per non-voting share								
Basic	**1.27**	0.48	**0.48**	0.44	**0.42**	0.30	**0.41**	0.28
Fully diluted	**1.19**	0.45	**0.45**	0.41	**0.39**	0.29	**0.39**	0.26
Non-voting shares in thousands								
As at basic	**5,110**	5,455	**5,212**	5,455	**5,309**	5,455	**5,418**	5,455
As at fully diluted	**5,446**	5,781	**5,548**	5,778	**5,643**	5,775	**5,747**	5,776
Average basic	**5,161**	5,455	**5,261**	5,455	**5,364**	5,455	**5,437**	5,453
Average fully diluted	**5,497**	5,780	**5,595**	5,777	**5,695**	5,775	**5,763**	5,774

[1]The fourth quarter income tax amount reflects the change from a 40% tax rate estimate in the first three quarters to an actual 20.2% for the year (1999 – 25.2%).

Years ended December 31 *in thousands of dollars*	2000	1999	1998	1997	1996	1995	1994	1993	1992	1991
BALANCE SHEETS										
Assets										
Cash resources	**466,479**	345,410	317,727	223,284	192,745	173,392	149,428	149,692	161,400	143,682
Securities	**–**	–	–	–	27,217	57,178	44,873	–	–	–
Loans	**2,001,986**	1,928,833	1,803,044	1,668,350	1,548,486	1,444,649	1,221,162	1,056,657	964,559	841,739
Other	**19,371**	17,719	16,977	15,027	17,254	16,514	15,137	15,361	14,708	15,252
Premises and equipment	**22,083**	21,143	20,962	22,716	22,465	22,794	18,471	15,412	14,499	13,867
	2,509,919	2,313,105	2,158,710	1,929,377	1,808,167	1,714,527	1,449,071	1,237,122	1,155,166	1,014,540
Liabilities										
Deposits										
Demand	**283,606**	271,356	278,667	280,529	311,254	281,187	274,229	289,041	323,102	335,981
Term	**1,520,941**	1,303,275	1,192,820	916,888	785,605	772,415	652,222	531,321	465,617	378,794
RRSP	**567,076**	560,230	537,967	525,740	522,402	469,592	371,643	313,653	268,781	230,723
	2,371,623	2,134,861	2,009,454	1,723,157	1,619,261	1,523,194	1,298,094	1,134,015	1,057,500	945,498
Other	**11,608**	9,098	11,133	13,073	12,369	8,705	10,141	10,439	13,127	9,750
Borrowings	**25,000**	75,000	50,000	110,000	100,000	123,000	84,000	45,000	45,000	30,000
	36,608	84,098	61,133	123,073	112,369	131,705	94,141	55,439	58,127	39,750
Subordinated notes	**10,000**	10,000	10,000	10,000	10,000	–	3,000	3,000	3,000	3,000
Shareholders' equity										
Share capital	**321**	319	275	276	276	208	76	76	28	–
Retained earnings	**91,367**	83,827	77,848	72,871	66,261	59,420	53,760	44,592	36,511	26,292
	91,688	84,146	78,123	73,147	66,537	59,628	53,836	44,668	36,539	26,292
	2,509,919	2,313,105	2,158,710	1,929,377	1,808,167	1,714,527	1,449,071	1,237,122	1,155,166	1,014,540

Years ended December 31 *in thousands of dollars*	2000	1999	1998	1997	1996	1995	1994	1993	1992	1991
INCOME STATEMENTS										
Interest income	**157,180**	143,617	136,807	126,973	138,562	134,507	106,397	100,150	102,672	104,696
Interest expense	**103,811**	94,210	87,344	83,084	95,099	96,530	67,079	64,868	70,983	77,156
Net interest income	**53,369**	49,407	49,463	43,889	43,463	37,977	39,318	35,282	31,689	27,540
Provision for credit losses	**1,546**	1,810	2,151	984	1,031	466	491	492	527	495
	51,823	47,597	47,312	42,905	42,432	37,511	38,827	34,790	31,162	27,045
Other income	**18,961**	16,572	16,295	15,068	13,235	11,975	11,591	10,598	10,017	8,692
	70,784	64,169	63,607	57,973	55,667	49,486	50,418	45,388	41,179	35,737
Non-interest expenses	**53,796**	53,252	50,201	46,135	43,584	39,059	35,353	32,583	30,537	25,886
Net income before income taxes	**16,988**	10,917	13,406	11,838	12,083	10,427	15,065	12,805	10,642	9,851
Income taxes										
Current	**3,097**	2,402	4,456	3,378	3,143	2,050	3,328	3,334	3,425	2,628
Future	**340**	354	(1155)	(415)	(165)	456	313	(302)	(1,080)	(385)
	3,437	2,756	3,301	2,963	2,978	2,506	3,641	3,032	2,345	2,243
Net Income	**13,551**	8,161	10,105	8,875	9,105	7,921	11,424	9,773	8,297	7,608
FINANCIAL STATISTICS										
Asset growth in percent	**8.51**	7.15	11.90	6.70	5.50	18.30	17.10	7.09	13.86	12.31
Loan growth in percent	**3.79**	6.98	8.10	7.70	7.20	18.30	15.60	9.54	14.59	20.67
Deposit growth in percent	**11.09**	6.24	16.61	6.40	6.31	17.34	14.47	7.24	11.85	8.18
Percentage of average assets										
Net interest income	**2.30**	2.27	2.46	2.35	2.45	2.41	2.97	2.92	2.90	2.87
Other income	**0.82**	0.76	0.81	0.81	0.74	0.76	0.88	0.89	0.92	0.91
Non-interest expenses	**2.32**	2.44	2.50	2.47	2.45	2.48	2.67	2.73	2.82	2.70
Percentage return on										
Average assets	**0.58**	0.37	0.50	0.47	0.51	0.50	0.86	0.81	0.76	0.79
Average NV equity	**15.57**	10.08	13.31	12.70	14.42	14.02	23.26	24.19	25.83	33.46
Book value per NV share in dollars	**17.94**	15.43	14.33	12.92	11.75	10.54	9.55	7.92	6.49	4.68
Earnings per NV share in dollars	**2.58**	1.50	1.81	1.57	1.61	1.40	2.03	1.73	1.47	1.35
Earnings per NV share fully diluted in dollars	**2.42**	1.41	1.74	1.53	1.59	1.39	2.02	1.72	1.47	1.35

At Surrey Metro Savings, our structure is unique in that we are a provincially governed credit union, and a publicly traded company following security commission regulations and policies and guidelines of The Toronto Stock Exchange (TSE). The guidelines for effective corporate governance established by the TSE set the standards for the practices we follow to direct and manage the business and affairs of our company. Appropriate structures, processes and policies are in place, and sound ethics, integrity, judgement and values permeate the organization. Our strong commitment to these principles and values is what make us successful and well governed.

THE BOARD OF DIRECTORS

The Board of Directors is central to an effective system of corporate governance. The Board is responsible for the stewardship of the company, which it discharges by establishing policy and supervising management. Authority and responsibility for day-to-day business and affairs of the company is delegated by the Board to management.

The members of Surrey Metro Savings, on a one-member, one-vote basis, elect the nine member Board of Directors. The maximum length for a director's single term of office is three years. A director may serve more than one term, but not more than three consecutive three-year terms. Each year, three of the nine directors come up for election.

Other than Doug Brawn, a director who is also a partner in a law firm which continues to provide legal services to Surrey Metro Savings and pays rental income in respect of premises leased from Surrey Metro Savings, the Board has no related or inside directors. Other than as discussed above, each of the directors is independent of management and is free from any interest, business or other relationships that could, or could reasonably be perceived to, materially interfere with their ability to act in the best interests of the company.

New Board members receive a comprehensive director's manual and a formal director orientation over two separate days. Additional one-on-one information sessions are held with senior management as deemed appropriate. Credit union legislation in BC mandates that all new directors must complete the first four modules of the Credit Union Director Achievement (CUDA) program within one year of election or appointment to the Board. These mandatory four modules are Credit Unions in Perspective; Roles, Responsibilities & Relationships; Legal Responsibilities & Legislative Environment; and Financial Management & Analysis. Additional CUDA training available to directors include Leadership; Planning & Policy Making; Risk Management; Board Development & Performance Evaluation; Management Recruitment, Performance Planning & Evaluation; Credit; Audit Committee; Financial Management & Analysis II; and Making Meetings Work.

The Board meets six times each year and holds additional meetings as required. The Board and senior management devote two full days to strategic planning. The three-year strategic plan is reviewed and approved by the Board at that session. Strategies and their implementation are discussed at the regular Board meetings. The Board meets once a year without management when it assesses the performance of the CEO, and also meets in-camera at other times deemed appropriate or as requested by directors.

The Board undertakes an annual self-assessment program, with results tabulated and provided by an outside consultant.

The Board of Directors, Board committees, or an individual director may engage an outside advisor at the expense of the company with the authority of the Governance Committee.

ROLE OF THE BOARD AND ITS COMMITTEES

Terms of reference are in place which clearly define the roles of the Board of Directors, Board committees and individual directors.

The Board's role is to supervise the management of the business and affairs of the company. The Board oversees the company's strategic direction and the operational implementation of business plans. Long-term goals and strategies are developed as part of the annual strategic planning process. Through an annual budgeting process later in the year, the Board adopts the operating budget, capital budget and business plans for the coming year, and then monitors management's progress through a quarterly reporting and review process. The Board ensures that the risk management framework implemented by management incorporates a prudent and professional approach to risk.

The investor and shareholder relations program involves providing information with respect to reported financial results and other announcements by the company to a broad spectrum of investors and other stakeholders. Shareholder concerns of a significant nature are directed to the CEO and CFO for information and resolve, and management reports to the Board on these matters and other major shareholder and investor matters.

The Board delegates certain work to its six standing committees: Executive, Audit, Human Resources, Conduct Review, Governance, and Investment & Loan. Each committee is comprised

of three outside directors, and the Board Chair serves exofficio on those committees to which he/she has not otherwise been elected or appointed. The CEO also serves exofficio on each committee, and each committee has available to it as a resource such members of management as may be appropriate. The Board and its committees monitor the integrity of the internal control and management information system. The Board determines the powers and responsibilities of each committee and reviews the authority and mandate of each committee annually.

The *Executive Committee* acts as a sounding board for the CEO on matters requiring Board involvement. This committee also acts in emergency circumstances as required between meetings of the full Board of Directors, and is responsible for representing the company in certain credit union system and public relations matters.

The *Audit Committee* is responsible for monitoring corporate compliance and influencing quality financial reporting and sound internal controls. The committee also assesses the accounting principles and underlying risks, and assesses the adequacy and effectiveness of internal controls. Its set mandate is to annually:

- review the audit engagement letter, audit plans, timing and scope of the external audit;
- review the representation letter to the external auditor;
- review the annual audit report, audited financial statements, management's discussion and analysis, and accompanying media releases and quarterly reports;
- review inspection reports prepared by the Superintendent of Financial Institutions and the recommended response;
- review all financial information issued by the company and its subsidiaries prior to publication in the annual report, annual information form, or prospectus;
- review the recommendations of the officers as to the reappointment or appointment of the external auditors;
- review annual audit fees in the context of the plan and scope of the audit;
- make recommendations to the Board with respect to the appointment and remuneration of external auditors to be appointed at each Annual General Meeting.

The *Human Resources Committee* oversees the formal evaluation of the CEO, reviews and assesses the CEO's achievement of corporate objectives, and also analyzes the policies and strategies with respect to the payment of salaries, benefits and incentive compensation. The committee annually reviews the succession plan for senior management and the CEO, including the appointment, training and monitoring of senior management.

The *Conduct Review Committee* ensures that policies and procedures are in place to deal with related party transactions, conflicts of interest, and disclosure of identity to customers as it relates to third party transactions.

The *Governance Committee* ensures that the vision and strategic direction of the company is reviewed annually and that the Board and its committees carry out their functions in accordance with due process. In addition, this committee assesses the effectiveness of the Board and its committees, and the contributions of each individual director. The Governance Committee makes recommendations regarding the effectiveness of the system of corporate governance, including the company's approach to governance issues, Board programs and meetings, and the relationship of the Board to management. The strength of the Board is built upon the diversity, background, qualities, skills and experience of its directors. The committee has a mandate to identify and recruit candidates suitable for nomination as directors, in addition to those names which come forward from the general membership. The committee provides its endorsement of some or all of the candidates, based on its evaluation of the current Board composition and areas of expertise to be filled. The Governance Committee is mandated to periodically review the remuneration paid to directors in recognition of their role on the Board. The members of Surrey Metro Savings must approve changes in set remuneration.

The *Investment & Loan Committee* is mandated to ensure that the company adheres to prudent policies in making investment and lending decisions, in giving guarantees and committing the company to other financial obligations, in writing down the value of investments and loans on its books, and in managing its investments and loans, including its subsidiary companies.

We are pleased to report that our approach to corporate governance is in compliance with the guidelines of the TSE. We will continue to review, develop, implement and enhance our approach to governance issues as dictated by our rapidly changing environment.

board

BACK ROW (LEFT TO RIGHT): Doug Brawn; Steven Moore; John Jansen; Gary McCarthy.
FRONT ROW: Bruce Chapman; Tom Kirstein; Frank Harper; Amber Goddyn; Doug Stone.

Bruce H. Chapman [1, 2, 3]
1991-2001
Chairman
Executive Vice President
Discovery Capital Corporation

Frank L. Harper [1, 5, 6]
1995-2001
Senior Vice Chairman
President
Sphere Financial Ltd.

Tom R. Kirstein [1, 3, 6]
1998-2001
Vice Chairman
Senior Partner
KNV, Chartered Accountants

Douglas H. Brawn [4, 5]
2000-2003
Partner
Brawn, Karras & Sanderson

Amber J. Goddyn [2]
1997-2003
Notary Public

John Jansen [4, 6]
1999-2002
President
Fraser Pacific
Group of Companies

Gary C. McCarthy [3]
2000-2003
President
On-Site West

Steven D. Moore [4]
1999-2002
Vice President
Moore & Associates

Douglas T. Stone [2, 5]
1994-2002
Director of Operations
City of White Rock

Committees of the Board of Directors

1 Executive
2 Governance
3 Human Resources
4 Conduct Review
5 Investment and Loan
6 Audit

The first date appearing after the name of each director indicates the year in which the individual became a director. The second date is the year in which their term of office as a director expires.

executive

BACK ROW (LEFT TO RIGHT): Dave Finner; Jim Miller; Ken Hahn; Herb Jamieson; Bob Caldwell; Hermann Bessert.
FRONT ROW: Lloyd Craig; Nancy McNeill; Rod Marr; Lynn Roberts; Gary Adamo.

Lloyd M. Craig
President and Chief Executive Officer

Hermann G. Bessert
Chief Financial Officer

Robert H. Caldwell
Chief Operating Officer

J. Patrick Hagan
Vice President, Information Systems

Kenneth G. Hahn
Vice President, Human Resources

Rodney A. Marr
Vice President, Credit

James E. Miller
Vice President, Marketing

David F. Finner
Assistant Vice President, Branch Operations

Herb J. Jamieson
Assistant Vice President, Branch Operations

Nancy J. McNeill
Assistant Vice President, Administration

L. Lynn Roberts
Assistant Vice President, Service Quality

Gary B. Adamo
Assistant Vice President, Wealth Management

info

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Norman E. Krannitz
Manager, Treasury
Tel 604 517-7433

CORPORATE SECRETARY

Cyndie L. Kremyr
Manager,
Corporate Communications &
Corporate Secretary
Tel 604 517-7403

REGISTRAR AND TRANSFER INFORMATION

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Investor Services
(formerly Montreal Trust Company)
510 Burrard Street
Vancouver BC V6C 3B9
Tel 604 661-0222

AUDITORS

Grant Thornton LLP
Chartered Accountants
6th Floor,
628 Sixth Avenue
New Westminster BC
V3M 6Z1

STOCK EXCHANGE LISTING

Toronto Stock
Exchange (TSE)
Symbol: SMS

ANNUAL MEETING

The 54th Annual General Meeting will be held on Wednesday, May 2, 2001 at 7:30 pm
Eaglequest Golf Centers
at Coyote Creek
7778 152nd Street
Surrey BC Canada

DIVIDEND

Surrey Metro Savings' current policy is to declare semiannual dividends for its non-voting shares payable on December 1 and June 1 to shareholders of record on November 1 and May 1.

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SURREY METRO SAVINGS CREDIT UNION
15117 - 101 Avenue
Surrey, British Columbia
V3R 8P7
www.metrosavings.com
Imagine A New Spirit of Community
Surrey Metro Savings is one of only 550 Canadian companies to earn recognition as a "Caring Company" by the Imagine Program, an initiative of the Canadian Centre for Philanthropy.